



# **AGENDA** Ordinary Meeting

Tuesday 6 August 2024, 10.30am

# Ordinary Council

06 August 2024 10:30 AM



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## **Whakataka te hau**

### ***Karakia to open meetings***

Whakataka te hau ki te uru  
Whakataka te hau ki te tonga  
Kia mākinakina ki uta  
Kia mātaratara ki tai  
Kia hī ake ana te atakura  
He tio, he huka, he hauhu  
Tūturu o whiti whakamaua kia tina.  
Tina!  
Hui ē! Tāiki ē!

Cease the winds from the west  
Cease the winds from the south  
Let the breeze blow over the land  
Let the breeze blow over the ocean  
Let the red-tipped dawn come with a sharpened air  
A touch of frost, a promise of glorious day  
Let there be certainty  
Secure it!  
Draw together! Affirm!



**Date:** 6 August 2024

**Subject:** Confirmation of Ordinary Council Minutes – 25 June 2024

**Author:** M Jones, Governance Administrator

**Approved by:** S J Ruru, Chief Executive

**Document:** 3291266

### Recommendations

That Taranaki Regional Council:

- a) takes as read and confirms the minutes and resolutions of the Ordinary meeting of the Taranaki Regional Council held at Taranaki Regional Council, 47 Cloten Road, Stratford on 25 June 2024.

### Appendices/Attachments

Document 3285436: [Ordinary Council Minutes 25 June 2024](#)



<b>Date:</b>	25 June 2024	
<b>Venue:</b>	Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford	
<b>Document:</b>	3285436	
<b>Present:</b>	C L Littlewood	Chairperson
	N W Walker	Deputy Chairperson
	M J Cloke	
	C S Williamson	
	D H McIntyre	
	A L Jamieson	
	S W Hughes	
	D L Lean	
	B J Bigham	(zoom)
<b>Attending:</b>	S Ruru	Chief Executive
	M Nield	Director – Corporate Services
	A Matthews	Director – Environmental Quality
	A D McLay	Director – Resource Management
	M Jones	Governance Administrator
	N Chadwick	Executive Assistant to Chief Executive and Chairperson
	F Kiddle	Strategy Lead
	C Woollin	Communication lead
	C Filbee	South Taranaki District Council
	S Craddock	Port Taranaki (joined meeting at 10.49am)
	J Kendrew	Port Taranaki (joined meeting at 10.49am)

One media representative joined meeting at 10.41am

The meeting opened with a group Karakia at 10.30am

**Apologies:** were received and sustained from Councillor Cram.

Littlewood

## 1. Confirmation of Ordinary Council Minutes – 14 May 2024

### Resolved

That the Taranaki Regional Council:

- a) took as read and confirmed the minutes and resolutions of the Ordinary meeting of the Taranaki Regional Council held Taranaki Regional Council, 47 Cloten Road, Stratford on 14 May 2024.

Williamson/Hughes

## 2. Confirmation of Operations and Regulatory Committee Minutes – 11 June 2024

### Resolved

That the Taranaki Regional Council:

- a) received the minutes of the Operations and Regulatory Committee meeting of the Taranaki Regional Council at the Taranaki Regional Council, 47 Cloten Road, Stratford on Tuesday 11 June 2024 at 9.00am
- b) adopted the recommendations therein.

Hughes/Walker

## 3. Confirmation of Executive Audit and Risk Committee Minutes – 17 June 2024

### Resolved

That the Taranaki Regional Council:

- a) received the minutes of the Executive Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council Boardroom, 47 Cloten, Stratford on Monday 17 June at 10.00 am
- b) adopted the recommendations therein.

Cloke/Williamson

## 4. Joint Committee Minutes

### Resolved

That the Taranaki Regional Council:

- a) received the unconfirmed minutes of the Civil Defence Emergency Management Joint Committee meeting held on 6 June 2024
- b) received the unconfirmed minutes of the Regional Transport Committee meeting held on 13 June 2024.

Walker/Jamieson

## 5. Submission on the Resource Management (Freshwater and Other Matters) Amendment Bill

- 5.1 F Kiddle provided an overview of the Resource Management (Freshwater and Other Matters) Amendment Bill Submission.

**Resolved**

That the Taranaki Regional Council:

- a) received the memorandum Submission on the Resource Management (Freshwater and Other Matters) Amendment Bill
- b) endorsed the submission in Attachment One Submission on the Resource Management (Freshwater and Other Matters) Amendment Bill
- c) noted that the submission states the Council wishes to be heard in support of the submission
- d) determined that this decision be recognised not significant in terms of section 76 of the Local Government Act 2002
- e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Littlewood/Walker

**6. Submission on the Local Government (Water Services Preliminary Arrangements) Bill**

- 6.1 F Kiddle provided an overview of the Local Government (Water Services Preliminary Arrangements Bill Submission).

**Resolved**

That the Taranaki Regional Council:

- a) received the memorandum Submission on the Resource Management (Freshwater and Other Matters) Amendment Bill
- b) endorsed the submission in Attachment One Submission on the Resource Management (Freshwater and Other Matters) Amendment Bill
- c) noted that the submission states the Council wishes to be heard in support of the submission
- d) determined that this decision be recognised not significant in terms of section 76 of the Local Government Act 2002
- e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Williamson/McIntyre

## 7. Approval of the Regional Land Transport Plan for Taranaki 2024

7.1 M Nield provided an overview on the Regional Land Transport Plan for Taranaki (RLTP) 2024/25-2026/27 prepared by the Regional Transport Committee (RTC).

### Resolved

That the Taranaki Regional Council:

- a) received the memorandum Approval of the Regional Land Transport Plan for Taranaki 2024
- b) received and approved the Regional Land Transport Plan for Taranaki 2024/25-2026/27
- c) noted that the adopted Regional Land Transport Plan for Taranaki 2024/25-2026/27 will then be submitted to Waka Kotahi for its consideration
- d) determined that this decision be recognised is not significant in terms of section 76 of the Local Government Act 2002
- e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Hughes/Cloke

## 8. Upcoming Meeting Dates

### Resolved

That the Taranaki Regional Council:

- a) received and noted the memorandum Upcoming Meeting Dates.

Littlewood/Jamieson

## 9. Public Excluded

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987, resolves that the public is excluded from the following part of the proceedings of the Ordinary Council Meeting on 25 June 2024 for the following reason/s:

The matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

Item 14:

Confirmation of Public Excluded Ordinary Council Minutes – 14 May 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 (a) and [section 7](#) (2) (a) and (2) (g) of the Local Government Official Information and Meetings Act 1987.

Confirmation of Public Excluded Operations and Regulatory Minutes – 11 June 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 (a) and [section 7](#) (2) (a) and (2) (g) of the Local Government Official Information and Meetings Act 1987.



Confirmation of Public Excluded Executive Audit and Risk Minutes – 17 June 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; and/or enable any local authority holding the information to carry out, without prejudice, commercial activities.

Item 15:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<p>Item 15: Port Taranaki Limited Annual Update</p>	<p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under <a href="#">section 7</a> (2) (h) and (2) (i) of the Local Government Official Information and Meetings Act 1987.</p>

Littlewood/Cloke

There being no further business the Council Chairperson, C L Littlewood, declared the meeting of the Ordinary Council meeting closed with a karakia at 11.46am.

Council Chairperson: \_\_\_\_\_

**C L Littlewood**



**Date:** 6 August 2024

**Subject:** Operations and Regulatory Minutes – 23 July 2024

**Author:** M Jones, Governance Administrator

**Approved by:** M J Nield, Director – Corporate Services

**Document:** 3293966

### Recommendations

That Taranaki Regional Council:

- a) receives the Minutes of the Operations and Regulatory Committee meeting of the Taranaki Regional Council at the Taranaki Regional Council, 47 Cloten Road, Stratford on Tuesday 23 July 2024 at 9.00am
- b) adopts the recommendations therein.

### Appendices/Attachments

Document 3292496: [Unconfirmed Operations and Regulatory Minutes 23 July 2024.](#)



<b>Date:</b>	23 July 2024	
<b>Venue:</b>	Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford	
<b>Document:</b>	3292496	
<b>Present:</b>	S W Hughes	Chair
	M J Cloke	
	M G Davey	
	D H McIntyre	(joined meeting at 9.04am)
	C L Littlewood	ex officio
	N W Walker	ex officio
	B J Bigham	(zoom)
	D L Lean	(zoom joined at 9.16am)
	D Luke	Iwi Representative
	Ā White	Iwi Representative
	P Muir	Federated Farmers
<b>Attending:</b>	S J Ruru	Chief Executive (zoom)
	A J Matthews	Director - Environment Quality
	A D McLay	Director – Resource Management
	D R Harrison	Director - Operations
	J Glasgow	Compliance Manager
	F Kiddle	Strategy Lead
	C Vicars	Rivers Manager
	C Woollen	Communications Advisor
	J Reader	Communication Manager
	A Bunn	Systems Engineer
	M Jones	Governance Administrator

**Karakia:** The meeting opened with a group karakia at 9.00am.

**Apologies:** Were received and sustained from R Buttimore. Councillor McIntyre for lateness.

Cram/Walker

**1. Confirmation of Minutes Operations and Regulatory Committee 11 June 2024**

**Resolved**

That the Taranaki Regional Council:

- a) took as read and confirmed the minutes of the Operations and Regulatory Committee of the Taranaki Regional Council held on 11 June 2024 at Taranaki Regional Council 47 Cloten Road Stratford
- b) noted the recommendations therein were adopted by the Taranaki Regional Council on Tuesday 25 June 2024.

Davey/Littlewood

**2. Resource Consents Issued under Delegated Authority & Applications in Progress**

- 2.1 A D McLay advised of consents granted, consents under application and of consent processing actions since the last meeting.

**Resolved**

That the Taranaki Regional Council:

- a) received the schedule of resource consents granted and other consent processing actions, made under delegated authority.

Cloke/Littlewood

**3. Incidents, Compliance Monitoring Non Compliances and Enforcement Summary - 17 May to 30 June 2024**

- 3.1 J Glasgow provided a summary of the incidents, compliance monitoring non-compliances and enforcement for the period 17 May to 30 June 2024.
- 3.2 C Littlewood declared a conflict and abstained from discussion and the vote.
- 3.3 D McIntyre declared a conflict abstained from the vote
- 3.4 M Davey declared a conflict and abstained from the vote.

**Resolved**

That the Taranaki Regional Council:

- a) received this memorandum Incident, Compliance Monitoring Non-Compliances and Enforcement Summary – 17 May to 30 June 2024
- b) received the summary of the incidents, compliance monitoring non-compliances and enforcement for the period from 12 April 2024 to 16 May 2024
- c) noted the action taken by staff acting under delegated authority
- d) adopted the recommendations therein.

Cram/Walker

**4. Waiwhakaiho Upgrade 2024: Summary**

- 4.1 C Vicars gave a PowerPoint presentation on the Waiwhakaiho River Control Scheme upgrade project that has been completed.

**Resolved**

That the Taranaki Regional Council:

- a) received the report, Waiwhakaiho Upgrade 2024: Summary

Lean/McIntyre

There being no further business the Committee Chairperson, Councillor S W Hughes, declared the meeting of the Operations and Regulatory Committee closed at 9.54am.

**Operations and  
Regulatory**

**Committee Chairperson:** \_\_\_\_\_

**S W Hughes**



**Date:** 6 August 2024

**Subject:** Policy and Planning Minutes – 23 July 2024

**Author:** M Jones, Governance Administrator

**Approved by:** M J Nield, Director – Corporate Services

**Document:** 3293975

### Recommendations

That Taranaki Regional Council:

- a) receives the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford on Tuesday 23 July 2024
- b) adopts the recommendations therein.

### Appendices/Attachments

Document 3292506: [Unconfirmed Policy and Planning Minutes – 23 July 2024](#)



<b>Date:</b>	23 July 2024	
<b>Venue:</b>	Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford	
<b>Document:</b>	3292506	
<b>Present:</b>	C L Littlewood	Chairperson
	S W Hughes	
	B J Bigham	zoom
	D M Cram	
	D H McIntyre	
	A L Jamieson	
	N W Walker	(ex officio)
	P Moeahu	Iwi Representative
	E Bailey	Iwi Representative
	M Ritai	Iwi Representative
	L Gibbs	Federated Framers
	B Haque	New Plymouth District Council (left meeting at 11.04am)
	C Filbee	South Taranaki District Council
<b>Attending:</b>	S J Ruru	Chief Executive (zoom)
	A D McLay	Director – Resource Management
	M J Nield	Director – Corporate Services
	A J Matthews	Director – Environment Quality
	L Hawkins	Planning Manager
	F Kiddle	Strategy lead
	L Hawkins	Policy Manager
	C Woollin	Communications Advisor
	J Reader	Communications Manager
	A Bunn	Systems Engineer
	M Jones	Governance Administrator

The meeting opened at 10.56am.

## 1. Appointment of Chair

- 1.1 In the absence of Councillor Williamson, the Chair of the Policy and Planning Committee. Mr A D McLay requested the Committee nominate a Chairperson. Councillor Littlewood was nominated by Councillor Walker and with no further nominations was successful.

Walker/Littlewood

**Apologies:** were received and sustained from Councillor C Williamson and G Boyde.

Littlewood/Walker

## 2. Confirmation of Minutes Policy and Planning 30 April 2024

### **Resolved**

That the Taranaki Regional Council:

- a) took as read and confirmed the minutes of the Policy and Planning Committee of the Taranaki Regional Council held at 10.30 on 30 April 2024 at Taranaki Regional Council 47 Cloten Road Stratford
- b) noted the recommendations therein were adopted by the Taranaki Regional Council on Tuesday 14 May 2024.

Hughes/Walker

## 3. 11 June 2024 Policy and Planning Committee meeting items

3.1 The following resolutions have been carried over from the 11 June Policy and Planning Committee meeting, due to the lack of a quorum.

### **Resolved**

That the Taranaki Regional Council:

- a) received this agenda memorandum titled 11 June 2024 Policy and Planning Committee Agenda items
- b) received the memorandum Future Development Strategy for Ngāmotu New Plymouth
- c) noted the decision made by the Future Development Subcommittee to adopt the Future Development Strategy for Ngāmotu New Plymouth on behalf of the Taranaki Regional Council and New Plymouth District Council
- d) received the memorandum Office of the Auditor General – Audit on Managing Freshwater Quality
- e) noted the Office of the Auditor General’s Regional councils’ relationships with iwi and hapū for freshwater management – a follow up report (2024)
- f) noted the positive progress made in the relationship between the Council and iwi and hapū in the region
- g) received the memorandum and attached report entitled Regional Pest Management Plan for Taranaki – Interim Review 2023
- h) noted that the Regional Pest Management Plan for Taranaki – Interim Review 2023 report gives effect to a Council commitment in the 2022/2023 Annual Plan to undertake an interim review of the Regional Pest Management Plan
- i) noted that the Regional Pest Management Plan for Taranaki continues to be efficient, effective and relevant and that no immediate change is required
- j) noted the opportunities to build on efficiency and effectiveness of the Regional Pest Management Plan for Taranaki as part of an earlier review of the Taranaki Regional Council Biosecurity Strategy will be investigated
- k) received the June 2024 update on the Freshwater Implementation Programme
- l) received the memorandum Target Attribute State Overview – Nutrients in Rivers
- m) received the memorandum Source Water Risk Management Areas for Municipal Drinking Water Supplies and the accompanying report Delineation of Source Water Risk Management Areas for selected municipal water supplies in the Taranaki Region



- n) noted the item titled Submission on the Local Government (Water Services Preliminary Arrangements) Bill was subsequently presented to Council for consideration and endorsement due to the meeting being abandoned.

McIntyre/Cram

#### 4. Freshwater Implementation Update

- 4.1 L Hawkins provided an update on the Freshwater Implementation project.

##### **Resolved**

That the Taranaki Regional Council:

- a) received the July 2024 update on the Freshwater Implementation Programme.

Hughes/Jamieson

#### 5. Land and Water Plan – Conflicts of Interest

- 5.1 S Ruru gave a presentation on the Local Authorities (Members Interests) Act 1968 and the need for individual members to manage any pecuniary interest in accordance with the provisions of the Act.
- 5.2 Members were advised to contact S Ruru if they require any guidance with this matter.

##### **Resolved**

That the Taranaki Regional Council:

- a) received this memorandum Land and Water Plan – Conflicts of Interests
- b) noted that the responsibility for managing pecuniary and other conflicts of interest that might arise in relation to a particular decision rests with the individual member concerned
- c) encouraged all councillors and Committee members to proactively identify and manage any potential conflicts of interest in an appropriate manner
- d) agreed that Council staff should provide proactive guidance and assistance to individual members to assist them with the identification and management of potential conflicts of interest that might arise through the freshwater planning process
- e) agreed that where appropriate Council should draft an application to the Auditor-General seeking a declaration to enable members with a pecuniary interest that is not in common with the public to participate in the Land and Water Plan process
- f) determined that this decision be recognised not significant in terms of section 76 of the Local Government Act 2002
- g) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determines that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Littlewood/Gibbs

## 6. Parliamentary Commissioner of Environment Report on Land Use Change

6.1 F Kiddle provided an update on the report by the Parliamentary Commissioner of the Environment (PCE) on land use change and the implications for Taranaki.

### Resolved

That the Taranaki Regional Council:

- a) received the memorandum titled Parliamentary Commissioner of Environment Report on Land Use Change
- b) noted the content of the Parliamentary Commissioner of the Environment's report Going with the grain: Changing land uses to fit a changing landscape.

Walker/Filbee

### General Business

P Moeahu addressed the committee expressing his views on Māori Constituencies.

There being no further business the Committee Chairperson, C L Littlewood, declared the meeting of the Policy and Planning Committee closed at 11.33am.

### Policy and Planning

Committee Chairperson: \_\_\_\_\_

C L Littlewood



**Date:** 6 August 2024

**Subject:** Executive Audit and Risk Committee Minutes – 29 July 2024

**Author:** M Jones, Governance Administrator

**Approved by:** M J Nield, Director – Corporate Services

**Document:** 3295480

### Recommendations

That Taranaki Regional Council:

- a) receives the minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council Boardroom, 47 Cloten Road on Monday 29 July 2024 at 10am
- b) adopts the recommendations therein.

### Appendices/Attachments

Document 3294863: [Unconfirmed Executive Audit and Risk Committee Minutes – 29 July 2024](#)



<b>Date:</b>	29 July 2024	
<b>Venue:</b>	Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford	
<b>Document:</b>	3294863	
<b>Present:</b>	M J Cloke	Chairperson
	A L Jamieson	
	S W Hughes	
	C L Littlewood	ex officio
	N W Walker	ex officio
<b>Attending:</b>	S J Ruru	Chief Executive
	M J Nield	Director – Corporate Services
	M Jones	Governance Administrator
	R Johnston	Finance Manger (left meeting at 10.20am)
	B Muir	Senior Health, Safety and wellness Advisor (left meeting at 10.20am)
	C Woollen	Communications Advisor
	S Preston	Communications Advisor
	T Parr	Port Taranaki Harbourmaster zoom (left meeting at 10.20am)
	C Gazley	Transport Engagement Manager (left meeting at 11.18am)
	R Brodnax	BECA (left meeting at 11.18am)
	A Collings	BECA (left meeting at 11.18am)
	J Patterson	zoom (joined meeting at 11.20am)

One media representative present (left meeting at 11.35am)

Four members of the public were (Harry, Bali, and Amanda - NPDC S Sidhu-Singh) present (left meeting at 11.18am)

The meeting opened with a group Karakia at 10.00am.

**Apologies:** were received and sustained from Councillor Williamson, Councillor McIntyre and B Robertson (independent member)

Hughes/Jamieson

## 1. Confirmation of Minutes Executive Audit and Risk Committee Minutes – 17 June 2024

### Resolved

That the Taranaki Regional Council:

- a) took as read and confirmed the minutes of Executive Audit and Risk Committee of the Taranaki Regional Council held at 10.00am on Monday 17 June 2024 at Taranaki Regional Council 47 Cloten Road Stratford
- b) noted the recommendations therein were adopted by the Taranaki Regional Council on Tuesday 25 June 2024.

Cloke/Littlewood

## 2. Financial and Operational Report

### 2.1 Mr M Nield provided an update on operational and financial performance for May 2024

### Resolved

That the Taranaki Regional Council:

- a) received the memorandum Financial and Operational Report and the May 2024 Monthly Financial Report
- b) noted the digital media update
- c) approved the common seal transactions:
  - 2024/01 - Renewal of lease – 224 Findlay Street, New Plymouth.

Walker/Littlewood

## 3. Health and Safety Report

### 3.1 M Nield provided an update on health and safety performance.

### Resolved

That the Taranaki Regional Council:

- a) received the June 2024 Health and Safety report.

Cloke/Jamieson

## 4. Report of the Port Taranaki Harbourmaster 2023/2024

### 4.1 T Parr provided an overview of the report and the port activities for the 2023/2024 period.

### Resolved

That the Taranaki Regional Council:

- a) received the 2022/2023 Harbourmaster report.

Walker/Hughes

## 5. Public Transport Single Stage Business Case Update

- 5.1 C Gazley provided an extensive update on progress of the Taranaki Public Transport Single Stage Business Case (SSBC).
- 5.2 R Brodnax and A Collings from BECA gave a presentation.

### Resolved

That the Taranaki Regional Council:

- a) received the presentation update on the Public Transport Single Stage Business Case
- b) endorsed the option for an emerging preferred bus network for Taranaki (Option 2: Balanced)
- c) determined that this decision be recognised not significant in terms of section 76 of the Local Government Act 2002
- d) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Walker/Cloke

## 6. Better Travel Choices for Taranaki

- 6.1 M Nield provided further updates of the Better Travel Choices for Taranaki.

### Resolved

That the Taranaki Regional Council:

- a) received the memorandum, Better Travel Choices for Taranaki
- b) noted the range of updates required to the Better Travel Choices documents includes alignment with new draft national guidelines
- c) agreed to further time to complete updating the Better Travel Choices documents to help ensure the documents are more robust and enduring
- d) determined that this decision be recognised as not significant in terms of section 76 of the Local Government Act 2002
- e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Cloke/Walker

## 7. Adoption of Statements of intent

- 7.1 M Nield outlined the finalised statements of intent for the Taranaki Stadium Trust and Regional Software Holdings Ltd.

### **Resolved**

That the Taranaki Regional Council:

- a) adopted the finalised 2024/2025 Statement of Intent for the Taranaki Stadium Trust
- b) adopted the finalised 2024/2025 Statement of Intent for Regional Software Holdings Limited.

Hughes/Jamieson

## 8. Port Taranaki Statement of Corporate Intent 1 July 2024 to 30 June 2027

- 8.1 M Nield provided an update on the draft Statement of intent for Port Taranaki Ltd for the period 1 July 2023 to 30 June 2024.

- 8.2 C Littlewood declared a conflict of interest and abstained from discussions and the vote.

### **Resolved**

That the Taranaki Regional Council:

- a) received Port Taranaki Ltd's draft Statement of Corporate Intent for the period 1 July 2024 to 30 June 2027
- b) provided any feedback to the Chief Executive on the content of the draft Statement of Corporate Intent.

Cloke/Hughes

## 9. Delegations Manual

- 9.1 M Nield gave an overview of the Delegations Manual for the committees consideration and adoption.

### **Resolved**

That the Taranaki Regional Council:

- a) received the memorandum Delegations Manual
- b) provided feedback to the Chief Executive on any amendments to the Delegations Manual
- c) adopted the Delegations Manual
- d) determined that this decision be recognised not significant in terms of section 76 of the Local Government Act 2002
- e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Walker/Littlewood

## 10. Accommodation Update

10.1 M Nield and J Patterson provided an update on the progress on the Accommodation upgrade project.

### Resolved

That the Taranaki Regional Council:

- a) received the Accommodation Update Report July 2024
- b) noted the progress to date and the next steps on the Accommodation Project.

Cloke/Hughes

## 11. Yarrow Stadium Plus: Project Update

11.1 M Nield and J Paterson provided an update on the Yarrow Stadium Project.

### Resolved

That the Taranaki Regional Council:

- a) received the Yarrow Stadium Plus: Project Update report
- b) noted the progress to date and the next steps on the Yarrow Stadium Plus Redevelopment Project.

Cloke/Walker

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987, resolves that the public is excluded from the following part of the proceedings of the Executive Audit and Risk Meeting on 29 July 2024 for the following reason/s:

The matter to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

Item 17 – Confirmation of Public Excluded Executive Audit and Risk Minutes – 17 June 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; and/or enable any local authority holding the information to carry out, without prejudice, commercial activities.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 18: Accommodation Project Update	The report contains information relating to performance of the contractor which is subject to ongoing monitoring and negotiation.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under <a href="#">section 7</a> (2) (h) and (2) (i) of the Local Government Official Information and Meetings Act 1987



General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 19: Yarrow Stadium Plus: Project Steering Group Report	The report contains information relating to performance of the contractor which is subject to ongoing monitoring and negotiation.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under <a href="#">section 7</a> (2) (h) and (2) (i) of the Local Government Official Information and Meetings Act 1987
Item 20: Consideration of Draft Annual Report	To enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under <a href="#">section 7</a> (2) (h) of the Local Government Official Information and Meetings Act 1987

Littlewood/Jamieson

There being no further business the Committee Chairperson, M J Cloke, declared the meeting of the Executive Audit and Risk Committee meeting closed at 11.54.am

**Executive Audit and Risk**

**Committee Chairperson:** \_\_\_\_\_

**M J Cloke**



**Date:** 6 August 2024

**Subject:** The Taranaki Economy and Freshwater Management

**Author:** L Hawkins, Policy Manager

**Approved by:** A D McLay, Director - Resource Management

**Document:** 3293884

## Purpose

1. The purpose of this memorandum is to provide the Taranaki Regional Council (the Council) with an overview of the recent report undertaken by consultant EM Consulting on behalf of Council titled – The Taranaki Economy and Freshwater Management.

## Executive summary

2. A key part of policy development is having an understanding of the economic conditions the policy framework operates within. As part of the development of the new Land and Freshwater Region Plan, EM Consulting were commissioned to undertake investigations and prepare a report to provide an overview of the Taranaki economy and its relationship with freshwater management.
3. The primary purpose of the report is to improve understanding of Taranaki's economy within the context of freshwater management and to assist Council as it works with the community to develop a policy framework for the new regional plan. Whilst the report does not forecast the impacts of policy options on the regional economy, it does support council in better understanding the extent to which any policy action is relevant within the economy, the future economic outlook of people and communities, and the connectivity with other actions and between activities within the economy.
4. As the policy process continues, future work will build on the report and assess the economic impacts of specific policy proposals.

## Recommendations

That Taranaki Regional Council:

- a) receives the memorandum titled The Taranaki Economy and Freshwater Management and attached report
- b) notes a presentation at the Council meeting will be undertaken by consultant Emma Moran.

## Background

5. The purpose of the Resource Management Act 1991 is to promote the sustainable management of natural and physical resources, so that communities are enabled to provide for their social, economic

and cultural wellbeing. Hence in developing policy approaches, council needs to consider the possible economic impacts. The Taranaki Economy and Freshwater Management report sets the scene for considering freshwater management in the region from an economic perspective. It is a starting point, and provides the opportunity for further work to be developed as the policy framework emerges.

6. The genesis of the report is from a series of demographic and macroeconomic datasets for the region, undertaken by Market Economics. The database includes the following datasets:
  - a. Market Economic Multi-Regional Input-Output Tables and Flows for industries, which provide a snapshot of the Taranaki economy
  - b. Origin-destination matrices based on Near data, which show people's travel patterns around the region
  - c. StatsNZ Census of Population and Dwellings (2006, 2013 and 2018) and population projections
  - d. StatsNZ Business Frame and Market Economics own Business Frame Employment Count dataset, both of which provides information on business and employment count data.
7. The report was also informed by a number of interviews with both farmers and technical experts. The purpose of these interviews was to provide a local knowledge and context to consider alongside the data and to 'round-out' the information-base developed in previous steps.

## Discussion

8. The report is structured in six main sections. Part 1 describes the scope and the research approach that was followed. Parts 2 to 6 cover the main body of the report including environmental context, demographics and land use through the lens of both the Freshwater Management Units and also the Districts, specific review of key sectors and an overview of the main trade flows, employment and areas of value add.
9. Key points from the report include the following:
  - a. Taranaki's economy is both shaped and supported by the natural environment. Taranaki has a relatively high proportion of Land Use Capability (LUC) Classes 1-4 in comparison to other regions, which is reflected in its land development, and there has been relative stability in land use 'trends' in the region since the 1980's in comparison to other regions.
  - b. Since the 1990s Taranaki's total population has been growing steadily, although the split of urban vs rural populations varies greatly across the three districts. There is considerable variation in qualifications between local communities, which was partly reflected in personable income. Those communities with lower education levels may be relatively more at risk than others from any employment impacts that may result from future policy direction.
  - c. From 2002 to 2019 there were on average 60 fewer farms per year as properties were amalgamated, but this has since slowed. Roughly 85% of farms are either dairy (47%) or sheep and beef cattle (38%) and around 77% of farms are less than 200 hectares. Livestock units have gradually declined over 50 years between 1972 to 2023 (by 28%), however the decline in livestock units has been offset by changes in the size of animal breeds, such as from smaller Jersey dairy cows to larger Holstein-Friesian and then to Kiwi Cross. There has also then been increases in production overtime.
  - d. Dairying in the region is diverse, with a wide distribution across the LUC Classes (20% of dairy land being on LUC Classes 5 and above). Dairy farms in Taranaki are relatively small with almost all of the regions 1,290 dairy farms (91%) having an areas less than 400 hectares. However, scale has increased over the last 30 years, bringing with it consequences for farm ownership, as has the use of supplementary feed.
  - e. Sheep and beef farming occurs largely in the east of the region on various soil types, topographies and in microclimates. The most common farm class is Farm Class 4: North Island

Hill Country, with fewer North Island Hard Hill Country and Finishing Farms. There have been marked changes in farm size, topography, and the sheep:beef ratio since the 1980s.

- f. Whilst there are opportunities for horticulture in Taranaki, the industry has less of a presence when compared to either agriculture in the region or horticulture in other regions. The main growing hub is located around New Plymouth City. There are 23 growers registered with Horticulture New Zealand in the region.
  - g. Forestry in Taranaki in 2022 was at least 20,600 hectares and has increased by around 1,200 hectares since 2018. In 2022 it represented 11.4% of the Southern North Island wood supply region. At present, peak supply of logs will occur from mid to late 2020s.
  - h. The regional economy is clearly dominated by oil and gas extraction as well as dairy cattle farming and dairy product manufacturing. It is also heavily weighted towards the New Plymouth District.
  - i. The Taranaki economy provides the equivalent of around 60,000 jobs and employment patterns largely reflect the population distribution across the region.
  - j. In 2023 the size of the Taranaki Economy was \$8.6 billion in value added (3% of the New Zealand Economy). Livestock and forestry (with support services and processing or manufacturing), oil and gas, utilities and property operation account for just over \$4.9 billion of the regional economy. The basic structure of the economy is focused on the intermediate industries and industries driven by international and inter-regional demand.
10. Further detail within the report will be presented to Council by Emma Moran.

### **Financial considerations—LTP/Annual Plan**

11. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

12. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

### **Iwi considerations**

13. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted Long-Term Plan and/or Annual Plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.
14. As identified within the report subject to this memorandum, further investigations are required with Tangata Whenua to better understand their economies in relation to freshwater.

### **Community considerations**

15. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

16. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 3278889: [The Taranaki Economy and Freshwater Management](#)

Document 123456: Presentation – To Follow

Taranaki Regional Council

# The Taranaki Economy and Freshwater Management



EM | CONSULTING

## Acknowledgements



Photo credit: Sarah Coogan

All research is a collective effort, drawing together new information and expertise as well as relying on past endeavours. The collective nature of research is particularly the case when considering topics that are transdisciplinary, of which freshwater economics is a prime example.

Those who helped with Chapter 5 of this report deserve special mention. The first group of farmers who generously participated in the interviews and provided additional information. Paul Turner from Taranaki Catchment Communities for facilitating the interviews. A second group of farmers who kindly shared their stunning photographs of the region. Industry group representatives for the support they showed this research in supplying data and/or reviewing specific sections: David Cooper and Ben Marmont (DairyNZ), Michael Flett, Andrew Burt, and Angie Fisher (Beef + Lamb New Zealand), and Emily Levenson (Horticulture New Zealand). Finally, Matthew Newman for his in-depth knowledge of agricultural economics and ongoing enthusiasm for this type of research (AbacusBio).

The report as a whole has benefitted from the knowledge and interest of Taranaki Regional Council staff, particularly Finbar Kiddle, Lisa Hawkins, Thomas McElroy, Abby Matthews, Don Shearman, Tim Hawkins, Jessica Hyland, and David Munro.

### **Internal Taranaki Regional Council Review Only**

**Context:** This report is a background report for the section 32 report that will accompany the proposed Regional Land and Freshwater Plan for Taranaki, which will implement the National Policy Statement for Freshwater Management 2020.

#### **Citation Advice:**

Moran, E., McDonald, G., and McKay, D. (2024). *The Taranaki Economy and Freshwater Management*. Taranaki Regional Council.

**Disclaimer:** Taranaki Regional Council Disclaimer: This report was prepared as part of the process of developing the proposed Regional Land and Freshwater Plan for Taranaki (Land and Freshwater Plan). More specifically, the report will be used to inform the section 32 policy evaluation TRC is required to undertake to support the Land and Freshwater Plan, but the report itself does not constitute that evaluation. The approach to implementing practices within various industries that may lead to improved environmental outcomes are complex and evolve over time. This report can be used to inform the consideration of the suite of practices that may be required in developing the proposed Land and Freshwater Plan.

**Cover image:** Te Rewa Rewa Bridge over the Waiwhakaiti River

The bridge is named after the adjacent pa site and the name itself is very old. The name references the rewa plant, an elevated flat area and a point of departure for a journey (<https://www.npdc.govt.nz/leisure-and-culture/coastal-walkway/>).

Photo credit: Simon Moran

## Executive Summary

### Introduction

Improving understanding of our economy is a ‘necessary condition’<sup>1</sup> to successful environmental management. All sectors of the economy use water as an input into their production systems (in some form or other) and to transport waste products from those systems (even if it is inadvertently). Using water to transport waste can occur via ‘end of pipe’ discharges to water or to land as well as diffuse discharges across or through land. Although water is essential across the economy, the value of its use (whether as an input or for waste products) is not fully accounted for in the production and consumption of goods and services.

This report was commissioned by Taranaki Regional Council to characterise Taranaki’s economy within the context of freshwater management, essentially creating a socio-economic baseline for the proposed Regional Land and Freshwater Plan for Taranaki. Its primary purpose is to improve general understanding of this topic as the council works with the community to develop policy options for this new regional plan. Longer-term, the report (and the database that sits behind it) will serve as an information resource for the region.

Achieving this purpose will help make sure that any changes in policy are able to occur as ‘economically’<sup>2</sup> as possible for individuals and communities. However, economics must be done in a way that is consistent with promoting sustainable management<sup>3</sup>. Otherwise, there is a very real risk that the economic thinking that led to environmental issues in the first place will be used to assess policy designed to resolve them. Such consistency can be achieved by more fully recognising the meaning of efficiency, which includes considering ‘externalities’ (i.e., consequences for others that are unaccounted for). In this way, the ‘system’ that everyone in Taranaki lives and works in is more in balance (or, to use the economic term, ‘equilibrium’) than may have otherwise been the case.

The report’s genesis was the availability of the series of demographic and macroeconomic datasets for Taranaki and its districts (Chapters 4 and 6). In addition to presenting these datasets, the report was also shaped by a need to provide some context relevant to resource management (Chapters 2 and 3). As well, a more in-depth microeconomic analysis was included for some rural industries within the primary sector (Chapter 5). These industries account for much of the region’s developed land, contain a large number of diverse businesses, and have largely diffuse discharges of contaminants. Improving understanding of these industries will help support the proposed Regional Land and Freshwater Plan.

The report uses four spatial scales: freshwater management unit, region, district, local community (based on the StatsNZ urban-rural geographies). These multiple scales are needed because while policy will be either applied broadly across the region or specific to an FMU, their impacts for the economy are likely to play out at local community and district scales. Chapter 3 shows how all three districts contain unique mixes of at least four FMUs, as well as part of the Volcanic Ring Plain FMU.

---

1 A necessary condition is a condition that must be present for something to occur although alone it is not sufficient to cause it. In other words, all the necessary elements must be there. There have been many examples over the years of where there have been unintended but foreseeable consequences (e.g., the loss of undeveloped land of ecological value resulting from the 1950 Marginal Lands Act) (Moran, 2019).

2 Here, ‘economically’ means minimising the possible impacts, including trying to avoid unintended consequences that are reasonably foreseeable.

3 In essence, such consistency is achieved with a fuller recognition of the meaning of efficiency, including environmental externalities.



While this report does not forecast the impacts of policy options for the proposed Regional Land and Freshwater Plan, it will be helpful for at least three of eight factors<sup>4</sup> that influence such impacts (as identified in blue in Image 1). These three factors are 1) the extent to which an action(s) may be relevant within an economy, 2) the current economic situation of people and communities, and 3) the connectivity between activities within the economy. They shape how our local economies will respond as a form of ‘receiving environment’ for the impacts of further managing their water use.

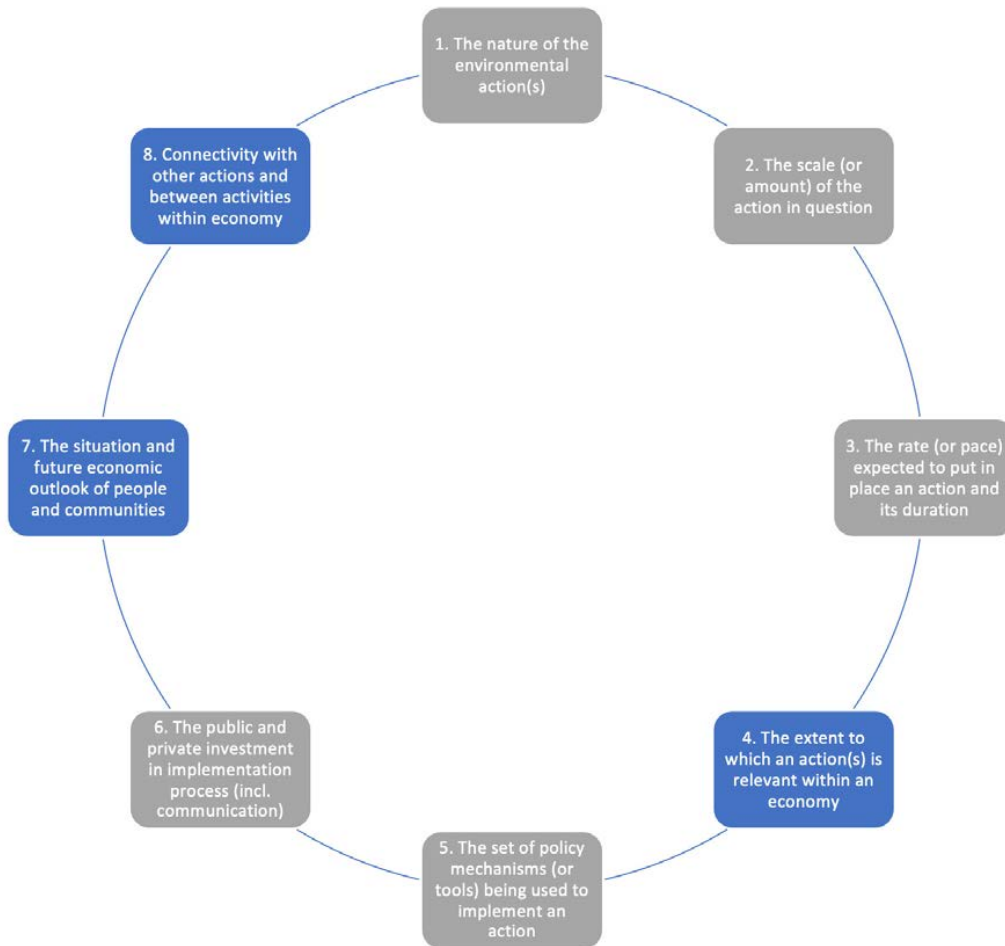


Image 1: Eight factors that can influence the impacts of a policy option

<sup>4</sup> Some of these factors are within the control of decision-makers, such as the implementation process, while others are either external to their decisions or act as constraints.

## General Points

This report covers a lot of territory across its five main chapters. To help with navigation, this section presents general points from each chapter. Anywhere there is variability and diversity will have consequences for the impacts of policy options for freshwater management. Scale is also important when considering possible impacts, as a change that does not register impacts at a district or regional scale can still be keenly felt within a local community.

### *The Natural Environment (Chapter 2)*

- Taranaki's economy is both shaped and supported by the natural environment. A series of maps are presented on the landscape, climate, and soils in the region to set the scene for subsequent chapters. These components interact with each other in complex ways to influence the economy and the way water flows through the region. In the medium term, climate change is likely to mean more hot days, fewer frost days, a shift to larger extreme rainfall events, and increased potential for drought.
- The proportion and distribution of developed land in a catchment are important factors in freshwater management, as are land use patterns because of their close relationship with economic activities and fresh water. Taranaki has a relatively high proportion of Land Use Capability Classes 1-4 in comparison to other regions, which is reflected in its land development. The main land use 'trend' in Taranaki since the 1980s has been relative stability in comparison to the experience in other parts of the country.

### *Taranaki's Freshwater Management Units (Chapter 3)*

- Taranaki's six FMUs generally fall into two main types: those largely formed by shorter coastal catchments and ones that include longer catchments that have their headwaters further inland. Each FMU has a unique land use pattern and there are marked differences in people's education, skills, and experience between the FMUs. Rates of people with no formal qualification and those with tertiary qualifications vary between the FMUs by 10 per cent and 12 per cent respectively.
- In 2018 the Volcanic Ring Plain, which contains New Plymouth City, was by far the most populated FMU and the least populous FMU was Northern Hill Country. Waitara FMU and Southern Hill Country FMU have the highest proportion of Māori and the lowest proportion of people aged 65+ years. Waitara FMU and Patea FMU leaned towards lower income distributions than the rest of the region.
- Northern Hill Country FMU and Coastal Terraces FMU have seen large shifts in their population age structure towards 65+ years. Northern Hill Country had the largest proportion of self-employed or business owner-operators (as well as longer-term residents), while the Coastal Terraces FMU had the smallest proportion. Patea FMU had the highest proportions of people in the 65+ years age bracket and those with superannuation or veteran's pension as a source of income.

#### *Taranaki's Districts (Chapter 4)*

- In 2018, 82 per cent of people in the New Plymouth District were living in urban areas, which is similar to New Zealand as a whole. By contrast, the urban population in Stratford District is 61 per cent, and 50 per cent in South Taranaki District, which means it has the largest share of people living in rural settlements.
- Since the 1990s, Taranaki's total population is growing steadily and is projected to reach 138,000 by 2048 (+27% in the 52 years since 1996). However, there is uneven distribution between districts with most population growth continuing to largely occur in the New Plymouth District. The population's age structure is also shifting over time. By 2048 the median age is projected to be 46.3 years (+38% from the mid-point of 33.6 years in 1996).
- There was considerable variation in qualifications between local communities, which was partly reflected in personal income. Communities with lower education levels may be relatively more at risk than others from any employment impacts of policy options for the proposed Regional Land and Freshwater Plan. In some communities at least 80 per cent of people earned \$50,000 or less (e.g., Waitotara, Patea, Waverley, Waiinu Beach, Waitara, and Opunake).
- Travel patterns were used to indicate connectivity between local communities as well as with surrounding rural areas. These patterns will help correctly identify how impacts may flow between a region's service centres. The distance from one service centre to another is also relevant because if services are lost from a town then local residents may need to travel further to the closest alternative.
- Municipal water services make it possible for people to live and work together in the region's towns as well as supporting those in the surrounding rural areas. They are part of a community's assets – as are the waterbodies they interact with. Each district council supplies a different set of 3 Waters services, with South Taranaki's services being numerous, small scale, and scattered.

#### *Agriculture, Horticulture, and Forestry (Chapter 5)*

- From 2002 to 2019 there were on average 60 fewer farms per year as properties amalgamated but the rate has since slowed. In 2022 the region's farm population was 2,736 (or 1,152 fewer than 20 years ago). Roughly 85 per cent of farms in the region are either dairy (47%) or sheep and beef cattle (38%) and around 77 per cent of farms are less than 200 hectares.
- Overall, total livestock units gradually declined in the 50 years from 1972 to 2023 by 28 per cent from 7.2 million to 4.7 million. However, this decline in total livestock units has been offset by changes in the size of animal breeds, such as from smaller Jersey dairy cows to larger Holstein-Friesian and then to Kiwi Cross (a cross of both). There have also been incremental increases in an animal's production over time.
- Taranaki is one of the New Zealand's traditional dairying regions and South Taranaki District consistently has the highest number of herds in the country. Almost all of the region's 1,290 dairy farms (91%) had an area less than 400 hectares. However, scale has increased over the last 30 years, bringing with it consequences for farm ownership, as has the use of supplementary feed. Dairying in the region is diverse, with a wide distribution across the LUC Classes (20% of dairy land being on LUC Classes 5 and above).
- Sheep and beef farming in Taranaki occurs largely in the east of the region on various combinations of soil types, topographies, and microclimates. Farmers have a strong capacity to grow grass (less so in the south where it is drier), and the soil types mean farms usually respond well to

seasonal challenges. In 2022, there were between 387 and 453 sheep and beef farms of at least 80 hectares in size. The most common farm class is Farm Class 4: North Island Hill Country, with fewer North Island Hard Hill Country farms and Finishing farms. There have been marked changes in farm size, topography, and the sheep:beef ratio since the 1980s.

- Horticulture is also influenced by a complex array of factors and covers a wide range of production systems. While there are opportunities, the sector has less of a presence in Taranaki when compared to 1) agriculture in the region and 2) horticulture in other regions. The main growing hub is located around New Plymouth City. There are 23 growers registered with Horticulture New Zealand, including three indoor growers, who are largely producing produce for the domestic market.
- Taranaki's production forest estate<sup>5</sup> in 2022 was at least 20,600 hectares, which represents 11.4 per cent of the Southern North Island wood supply region and was an increase of around 1,200 hectares since 2018. The total area was 20 per cent in the New Plymouth District, 32 per cent in the Stratford District, and 49 per cent in South Taranaki District. At present, the peak regional supply of logs will occur from mid to late 2020s. Post-1989 forest, which is relevant to carbon credits, is heavily weighted towards South Taranaki District.

### *The Taranaki Economy (Chapter 6)*

This chapter presents major trade flows between industries by district in Taranaki based on intermediate demand for goods and services (Image 2)<sup>6</sup>. It then looks at the economy from two main perspectives: 1) employment, which is a critical metric for understanding the impacts of policy options on local communities, and 2) value added, which is also important but may be owned either within the region or beyond it. A third perspective included is gross output, which measures total economic activity and is useful when considering the economy at either industry or sector levels. The results underline the importance of using multiple metrics when assessing the impacts of policy options.

- The regional economy is 1) clearly dominated by oil and gas extraction as well as dairy cattle farming and dairy product manufacturing, and 2) heavily weighted towards the New Plymouth District. However, central to the economy in terms of its interconnections is electricity general and on-selling in Stratford District.
- The economy provides the equivalent of around 60,000 jobs and employment patterns largely reflect the population distribution across the region. Important employers are livestock farming and related product processing and manufacturing as well as primary and fabricated metal and metal product manufacturing. Many other industries are key employers in the region are core to any economy – construction, transportation, utilities (i.e., power, water, and waste services).
- In 2023 the size of the Taranaki economy was \$8.6 billion in value added (3% of the New Zealand economy). The distribution between districts is uneven but does not fully reflect each district's contribution to the regional economy. Livestock and forestry (with support services and processing or manufacturing), oil and gas, utilities, and property operation<sup>7</sup> account for just over \$4.9 billion (57% of the regional economy). The economy's basic structure currently lacks many value added industries and is focused on intermediate industries and industries driven by international and inter-regional demand.

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<sup>5</sup> Exotic forest planted with the primary intention of producing wood or wood fibre.

<sup>6</sup> The five largest financial flows in each of the three districts and the largest 40 remaining financial flows across the region.

<sup>7</sup> An explanation of owner-occupied property operation is included as a footnote in Section 6.2. Essentially, the industry's inputs are homeownership expenses, and its outputs are the imputed rental value of the dwellings. Including net imputed rent in household accounts treats owner-occupiers as if they were renting their home from themselves. It allows for more meaningful comparison of the income circumstances of people living in different tenure types.

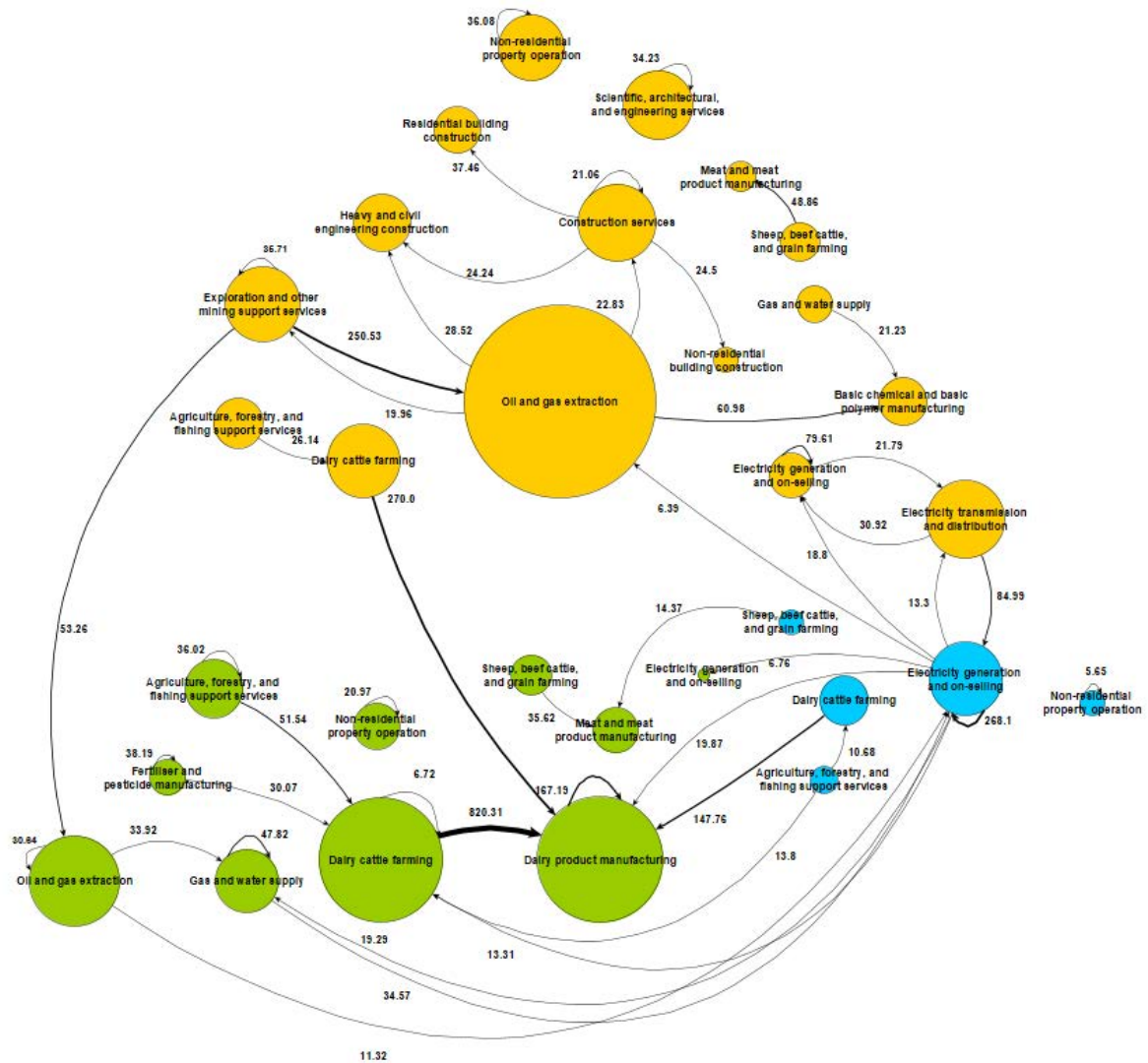


Image 2: Major trade flows within and between districts in Taranaki in 2020

Source: Market Economics

Note: Key is yellow = New Plymouth, blue = Stratford, and green = South Taranaki. The numbers on the arrows in the diagram are the values of intermediate demand (i.e., sales and purchases) between industries. The relative sizes of these values are reflected in the thickness of each arrow. An industry's intermediate demand and final demand (i.e., exports or domestic consumption) makes up its gross output.

Also presented in the chapter are economic multipliers for value added, which give a sense of how a direct impact for an industry may translate into indirect and induced impacts across the economy.

- The industries with the largest multipliers differ depending on whether the multiplier is for employment (electricity generation and on-selling) or value added (primary metal and metal product manufacturing). For most industries in each district across the region, most of the gain or benefit in value added from an additional unit of spending occurs outside of Taranaki. The exceptions all have a comparative advantage compared to the rest of New Zealand.

## Limitations and Further Research

The report's primary purpose was to improve general understanding of Taranaki's economy in relation to freshwater management as policy options are developed for the proposed Regional Land and Freshwater Plan. The intent is that this understanding will help inform those options but, as they are yet to be developed, it does not forecast their impacts. Further research may be needed in this area once those options take shape.

The report is based on macroeconomic datasets that are a snapshot of the market component of Taranaki's economy. The datasets do not capture the non-market component so only give a partial view of the economy. Much of that information is science-based and essential for considering (and accounting for) externalities. Further, the datasets do not show changes in stocks of natural, human, built, and financial capitals over time so they are silent on the economy's sustainability.

While economic metrics used in this report are relevant to economic outcomes, they do not represent outcomes in themselves. Therefore, the report does not specifically consider people's living standards in Taranaki nor the general wellbeing of its local communities. Economic outcomes are influenced by both the market and non-market components of the economy.

Finally, the authors recognise that the economy described in this report is not the only one that exists in Taranaki nor was it the first. Further research is needed with Taranaki's mana whenua to describe the nature of their economies and the role of fresh water within them. Such research may also include specific consideration of Maori Agribusiness. It is likely that the impacts of freshwater management for mana whenua will be complex, with the potential for both opportunities and constraints.

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*A note on language: the terms 'effects' and 'impacts' are often used interchangeably, which can lead to ambiguity. In this report, 'effects' describes changes in the environment caused by human activity; and 'impacts' for the changes people experience as a result of a policy response. Put simply, an activity has environmental effects and managing an activity in response has impacts. 'Effects' and 'impacts' do not tend to occur in isolation, i.e., effects themselves can impact our activities and vice versa.*

## 1 Introduction

On the face of it, Taranaki is a region of two halves, with developed land largely to the west and conservation estate towards the east (the notable exception being Taranaki Maunga). This broad characterisation is repeated in all three districts. New Plymouth District is dominated by the city of New Plymouth and is the largest population centre. Stratford District essentially forms the crossroads of the region. South Taranaki District has the largest extent of production land. This dichotomy, however, belies the connectivity between the region's economic activities and their variability.

Taranaki's economy is both shaped by, and dependent on, the natural environment. The region is generally 'well-watered' although there is some variation in its rainfall patterns, with less rain occurring in the south of the region (particularly in summer). The region contains rich gas fields and fertile, forgiving soils in many places, along with areas of considerable wetness. Such elements and others are viewed within the economy as the natural resources that, together with people's knowledge and skills, social networks, and built infrastructure, form Taranaki's wealth. It is this wealth that is the basis of community wellbeing for now and the future.

Taranaki Regional Council is currently developing what will become the *proposed Regional Land and Freshwater Plan for Taranaki*. This new Plan will eventually replace the existing Regional Soil Plan and the Regional Fresh Water Plan. It will give effect to the *National Policy Statement for Freshwater Management 2020* in Taranaki. The Plan will also support the ongoing implementation of other national direction related to fresh water, including Freshwater Farm Plans, which are now a legal requirement across New Zealand.

All sectors of the economy use water as an input in production systems (in some form or other) and to transport waste products from those systems (even if inadvertently). Using water to transport waste can occur via 'end of pipe' discharges to water or to land, as well as diffuse discharges across or through land<sup>8</sup>. Although water is essential in the economy, the value of its use (whether as an input or for waste) is not fully accounted for in our goods and services. Despite some businesses and households facing considerable costs associated with its use, there is no fee for the resource itself.

Freshwater management is one aspect of a broader field that is generally framed as 'environmental management'. This title can be somewhat misleading because the idea that we can 'manage the environment' suggests a level of control over it that is somewhat ambitious to say the least. In reality, the field is more about managing how we undertake our economic activities within the environment and their adverse environmental effects<sup>9</sup>. Consequently, improving understanding of our economy is a 'necessary condition'<sup>10</sup> to successful 'environmental management' (Moran, 2023).

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<sup>8</sup> Technically referred to as point-source discharges and non-point source discharges respectively. While discharges to land usually involve some attenuation of contaminants, such natural processes can be circumvented to varying degrees where land drainage networks are present.

<sup>9</sup> In economics, an environmental effect that is not accounted for is a type of 'externality'. Dasgupta (2021, p. 189) describes externalities as "the unaccounted for consequences for others, including future people, of actions taken by one or more persons. The qualifier 'unaccounted-for' means that the consequences in question follow without prior engagement with those who are affected." It is common to read externalities as market failure but that is merely to reword 'externalities'.

<sup>10</sup> A necessary condition is a condition that must be present for something to occur although alone it is not sufficient to cause it. In other words, all the necessary elements must be there. There have been many examples over the years of where there have been unintended but foreseeable consequences (e.g., the loss of undeveloped land of ecological value resulting from the 1950 Marginal Lands Act) (Moran, 2019).

## 1.1 Report Purpose

This report was commissioned by Taranaki Regional Council to characterise Taranaki's economy within the context of freshwater management, essentially creating a socio-economic baseline for the proposed Regional Land and Freshwater Plan. Its primary purpose is to improve general understanding of this topic as the council works with the community to develop policy options for this new regional plan. Longer-term, the report (and the database that sits behind it) will serve as an information resource for the region.

Improving economic understanding will help make sure that any changes in policy are able to occur as 'economically' as possible for individuals and communities. Here, 'economically' means minimising the possible impacts, including trying to avoid unintended consequences that are reasonably foreseeable. However, the economics must be done in a way that is consistent with promoting sustainable management - as everything does that relates to the Resource Management Act 1991. Otherwise, there is a very real risk that the economic thinking that led to environmental issues in the first place is used to assess policy designed to resolve them. In essence, such consistency is achieved with a fuller recognition of the meaning of efficiency<sup>11</sup>, which includes externalities.

By being both economical with impacts and recognising the meaning of efficiency, the 'system' that everyone in Taranaki lives and works in is more in balance (or, to use the economic term, equilibrium) than may have otherwise been the case.

The report is one part of the Council's wider work programme for the proposed Regional Land and Freshwater Plan, and it will sit alongside ongoing scientific research. Although the breadth of this report is wide-ranging, there are important limitations, some of which are already known (refer to Section 1.3) and others that will become evident in the future. Essentially, the report sets the scene for freshwater management in the region from an economic perspective. It is intended to be a starting point upon which to build (not the last word on this topic).

## 1.2 Report Structure

In reading this report it is important to be aware of its structure. The rest of this chapter describes the scope of this report and the research approach that was followed. The main body of this report is divided into five chapters (Chapters 2 to 6) that together form the economic characterisation that is the purpose of this report. General points of this research are included in the Executive Summary. There is also supporting information included in the report's appendices.

*Chapter 2 – Environmental Context (landscape, climate, soils and land use patterns)*

*Chapter 3 – Taranaki's Freshwater Management Units (demographics and land use)*

*Chapter 4 – Taranaki's Districts (demographics, travel connectivity, and water services)*

*Chapter 5 – The Agriculture, Horticulture, and Forestry Sectors*

*Chapter 6 – The Taranaki Economy (major trade flows, employment, and value added)*

*Chapter 7 – Appendices*

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<sup>11</sup> Efficiency, or more correctly 'economic efficiency', is one of those terms where its usage is so commonplace that few people may ever pause to think about what it actually means. There are three main dimensions (known as 'productive', 'allocative', and 'dynamic') that together assess how well resources are used within an economy over time so as to generate the highest net benefits (Australian Productivity Commission, 2013).

The report's main body begins with an overview of the natural environment because it is this that supports the economic activity that occurs in the region, providing both opportunities and constraints. The report then turns to two spatial scales: the region's six Freshwater Management Units (FMUs) and its three districts. The first scale is that which Taranaki Regional Council will use in the future to manage fresh water while the second is the scale of the local economies that together form the regional economy. Having stepped through the natural environment, FMUs, and districts, the main body of the report then presents an analysis of the regional economy before ending with a more in-depth look at agriculture and forestry.

### 1.3 Report Scope

As discussed in Section 1.1, the purpose of this report is to characterise Taranaki's economy as it exists ahead of the proposed Regional Land and Freshwater Plan. Its scope, therefore, is necessarily wide-ranging, spanning the economies of three districts and the region and coming from the particular perspective of freshwater management.

The report's genesis was the availability of the series of demographic and macroeconomic datasets for the region and its districts (Chapters 4 and 6). In addition to presenting these datasets, the report was also shaped by a need to provide some context relevant to resource management (Chapters 2 and 3). A more in-depth microeconomic<sup>12</sup> analysis was included for some land-based industries within the primary sector (Chapter 5).

Natural resources, such as biodiversity, water, and soils, form an economy's 'stocks' of natural capital. Like the wider New Zealand economy (e.g., Makhlouf, 2018), the economy in Taranaki is based on the 'flows' of goods and services from its natural capital as well as human, built, and financial capitals. In the market component of the economy, these flows are traded via a monetary price mechanism that adjusts to changes in supply and demand. In the economy's non-market component, flows of goods and services (e.g., water, pollination, and voluntary work) are exchanged without being priced.

The macroeconomic datasets used in this report are a snapshot of the flows from just the market component of Taranaki's economy. They do not show any changes in stocks of natural, human, built, and financial capital over time. Consequently, they give a partial view of the economy. Information on the non-market component, much of which will be science-based, is needed when considering efficiency<sup>13</sup>. While the data is relevant to economic outcomes, they do not represent outcomes in themselves. Therefore, the report does not specifically consider people's living standards in Taranaki nor the general wellbeing of its local communities.

Finally, it is recognised that the economy described in this report is not the only one that exists in Taranaki. Further work needs to be undertaken with Taranaki's mana whenua in order to describe nature of their economies in relation to fresh water. The database does include census data for the region's iwi.

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<sup>12</sup> Microeconomics considers individual households and businesses while macroeconomics takes a wider view of industries and whole economies. Both fields of study are relevant to the topic of this report.

<sup>13</sup> The efficiency and effectiveness of a policy option can be inextricably linked (Moran, 2023). Constraints on the efficiency of implementing an action may limit its effectiveness. Further, where an action's effectiveness is less than what is needed to resolve an issue then it may be economically inefficient. This is an important topic for further research.

### 1.3.1 Forecasting Impacts

As a socio-economic baseline, the report provides one end of what is needed to forecast the possible impacts<sup>14</sup> of various policy options for the proposed Regional Land and Freshwater Plan. The other end is what a business, industry, or economy may look like as a result of a policy option(s). To put this another way, impacts are the changes (if any) between what things look like ‘beforehand’ and ‘afterwards’.

Policy options generally consist of a combination of:

1. An environmental action(s), which focuses on avoidance, mitigation, and/or remediation of an activity or its adverse effects; and
2. One or more mechanisms for putting those environmental actions in place, such as the use of education, setting conditions on a permitted activity or a consent, or some financial incentive<sup>15</sup>.

The ordering for these two elements is important. To be successful, a policy option starts with the set of actions and, once these are determined, it turns to the mechanisms needed to put them in place – rather than the initial choice being a regulatory or non-regulatory approach and then considering possible actions.

In forecasting impacts, a policy option is usually tested in a simplified way as a ‘scenario’ that may include one or two variations on the theme. However, the reality is that the impacts of a policy option will depend on multiple factors, some of which are within the control of decision-makers and others that are either external to their decisions or act as constraints. Image 3 identifies eight main factors and, in doing so, it highlights the complexity of the forecasting task. In other words, a simple answer to a question about what the impacts might be, is “it depends”. Of note in Image 3 is that any impacts depend on the implementation of a policy option as well as its design. They also depend on the connectivity between the action in question and other actions (both existing and new).

This report is helpful for at least three of these factors: the extent to which an action(s) may be relevant within an economy, the current economic situation of people and communities, and the connectivity between activities within the economy (#4, #7, and #8 in Image 3).

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<sup>14</sup> Impacts fall into three types: direct, indirect, and induced. They refer to the initial, secondary, and tertiary adjustments that can occur as a change works its way through an economy.

<sup>15</sup> A detailed discussion of environmental actions and mechanisms can be found in Chapter 1 of Otago’s Rural Businesses and Environmental Actions for Fresh Water (Moran, 2023).

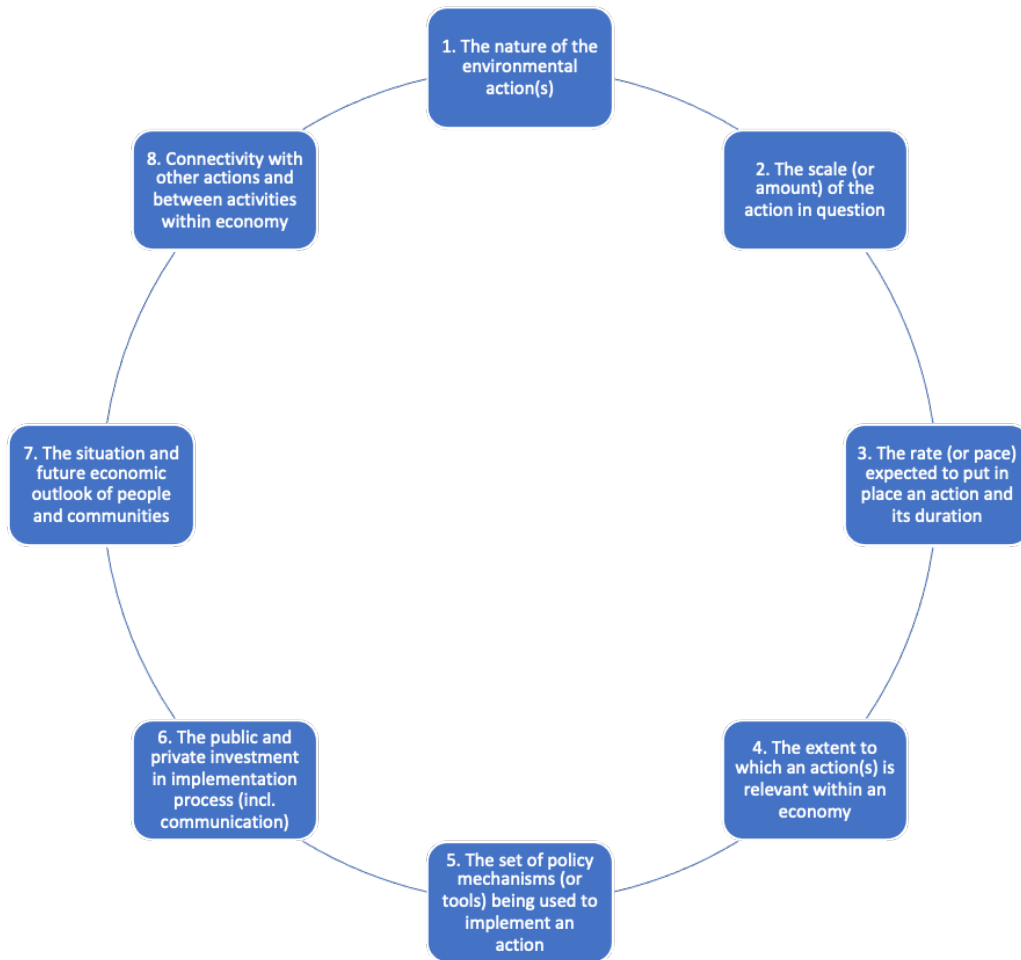


Image 3: Eight factors that can influence the impacts of a policy option for resource users

Robust testing of a policy option commonly relies on a labour-intensive case study approach that involves data collection, modelling, and analysis for a specific sector (e.g., agriculture, horticulture, or municipal water services) or a range of activities within a catchment. Chapter 5 highlights how the use of interviews and real-world examples can be a valid alternative to case studies. Chapter 5 also indicates the extent of diversity in the primary sector and so the range of situations that may exist. It underlines the importance of not relying on ‘types’ of businesses in this area of work.

Chapter 6 discusses multipliers for value added (the income gained or added from using capital and labour in production) by industry. Multipliers for employment are also included in the database (but not presented in this report). These multipliers can be used to give a sense of how a direct impact for an industry may translate into indirect and induced impacts across the economy.

When forecasting a policy option, clarity is needed on the exact change being represented. National direction that is not yet fully implemented (e.g., the requirement to have a certified and audited Freshwater Farm Plan) is separate from what may be additional to this through the proposed Regional Land Freshwater Plan. The impacts of national direction are only relevant in that they may shift the socio-economic baseline. Along similar lines, the level of compliance with existing policy is not part of the equation.

## 1.4 Research Approach

The approach used in this research recognises that the basis for assessing the economic impacts of policy is a robust understanding of the economy in question. It also recognises that economic analysis is a necessary mix of quantitative and qualitative information. One cannot be understood without the other. Finally, it recognises the importance of context.

In general terms, a two-phase approach was used in the research that has informed this report:

- In Phase 1 Market Economics created a series of in-depth demographic and macroeconomic datasets for Taranaki. The outputs from Phase 1 were primarily used in Chapters 4 and 6 of this report.
- In Phase 2 EM Consulting analysed and reported on the datasets created in Phase 1 as well as considering the natural environment and sourcing additional sectoral information. These later outputs are primarily used in Chapters 2, 3, and 5 of this report.

The timing of the two phases differed. The first phase was undertaken in mid-2023, ahead of Taranaki Regional Council's community consultation and development for proposed Regional Land and Freshwater Plan. The second phase also began in mid-2023 but was an ongoing process that continued through to mid-2024.

### 1.4.1 Phase 1 – Information Gathering and Analysis

This series of demographic and macroeconomic datasets is a database for Taranaki. It will allow in-depth analysis in the future of information by freshwater management unit, rohe, district, and regional scales as well as 'urban-rural geographies'<sup>16</sup>. Analysis at various spatial scales is critical when considering the distributional impacts of policy, as are their interconnections. While population projections were included, it was beyond the scope of this research to forecast how Taranaki may change in the future.

Taranaki Regional Council commissioned Market Economics to develop a database for the proposed Regional Land and Freshwater Plan. This database includes:

1. Market Economics Taranaki Multi-Regional Input-Output Table (TMRIO) and flows for industries in the region with a 'comparative advantage'<sup>17</sup> (for year ending 31 March 2020 – the latest available from StatsNZ at the time);
2. Origin-destination matrices (annual and monthly) based on Near data for over 1 million trips (observed movements) in the region<sup>18</sup> (aggregated by FMU, District, and Urban-Rural Geography, for year ending 30 June 2021);
3. StatsNZ Census of Population and Dwellings for 2006, 2013, and 2018 (aggregated by FMU, District, and Urban-Rural Geography) and population projections (for region and district); and
4. StatsNZ Business Frame business and employment count data (Industries by Statistical Area 1<sup>19</sup>) in February from 2010 to 2022 (aggregated to FMU, District, and Urban-Rural Geography).

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<sup>16</sup> Urban-rural geographies are a spatial scale that is population-based and more akin to local communities <https://storymaps.arcgis.com/stories/f98ae8750e8d4690a48ed3e827b1efdc>

<sup>17</sup> Comparative advantage refers to an industry's ability to produce goods and services at a lower opportunity cost than its competition (not necessarily at a greater volume or better quality). In the context of this report, the comparison is between an industry in Taranaki and the industry in New Zealand. In other words, it shows the extent to which it is advantageous for an industry to be operating in Taranaki.

<sup>18</sup> Estimated by Near Intelligence (a United States data company) to be 95 per cent of all trips ([www.near.com](http://www.near.com)).

<sup>19</sup> SA1 is an output geography that allows the release of more detailed information about population characteristics than is available at a meshblock level. Built by joining meshblocks, SA1s have an ideal size range of 100-200 residents, and a maximum population of about 500 residents. <https://datafinder.stats.govt.nz/layer/106708-statistical-area-1-2022-generalised/>

The Taranaki Multi-Regional Input-Output Table (TMRIO) is basically a model (presented in Excel software) that gives an annual snapshot of the Taranaki economy (refer to trade flows diagram in Section 5.1). Market Economic built it from StatsNZ's latest release of its National Accounts Input-Output Tables, which were for the year ended 31 March 2020<sup>20</sup>. The TMRIO covers 109 industries by three districts as well as the region as a whole. The industry data are compiled using the Australian and New Zealand Standard Industrial Classification (ANZSIC) system<sup>21</sup>, which standardises industries within the economy. Also included are the economy's flows of goods and services to and from neighbouring regions, Manawatū-Wanganui and Waikato, as well as the rest of the North Island, the South Island, and New Zealand as a whole.

In essence, the TMRIO gives a picture of the market component of the economy for a specific year. It is used in this report to build understanding of the structure of the Taranaki economy and how it operates. In the future, it may be used to test the short-term impacts (i.e., roughly five-years) of specific policy options being considered in the proposed Regional Land and Freshwater Plan. An Input-Output table is a static model and so less appropriate for longer term impacts because it does not adjust to changes in prices as supply and/or demand for goods and services shifts.

An Input-Output table basically traces economic activities along their value chains. It records the financial exchange of goods and services for production and consumption, from primary inputs (e.g., imports and labour), intermediate demand (within and between industries), to outputs or 'final demand' (e.g., household consumption or exports). This task is done by estimating the value of transactions (sales and purchases) that occur between economic agents (e.g., industries, households and government) on an annual basis (i.e., total over a whole year).

Importantly, an Input-Output table (like most economic models) focuses on the 'market' component of the economy – where money is used to exchange goods and services. It does not include items that are un-priced, particularly those from nature, and so is only ever a partial view of the economy.

Economic activities are the 'flows' from an economy's 'stocks' of capital: natural (e.g., land and water), built (e.g., buildings and other infrastructure), financial (e.g., savings), and human (e.g., the workforce and its capabilities). For example, the construction of a building is a flow and then the building itself becomes a stock that is used in a production system, with other inputs such as labour, to create other flows. Another example of a stock is a farmer's topsoil, which they use to grow food and fibre. For clarity, it is the flows that are captured in an Input-Output Table, not the stocks themselves. An economy's stocks and flows are not constant – they are interdependent and change over time.

Key outputs created from the TMRIO are sets of 'multiplier values' by industry for output, employment, and value added at district and regional scales. Multipliers are a summary measure of the level of economic interdependence between industries<sup>22</sup>. The measure is taken from the point of final demand for an industry's goods and services looking at backwards linkages at the 'supply' chain (it is also possible to look at an industry's forwards linkages in the 'use' chain). The TMRIO was also used to identify inter-regional flows for key industries (industries of comparative advantage) in the economy. These flows are based on an industry's value added and comparative advantage (in relation to New Zealand as a whole).

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<sup>20</sup> The process is documented in Development of a Regional Social Accounting Framework for New Zealand (Cardwell et al., 2023).

<sup>21</sup> The Australian and New Zealand Standard Industrial Classification (ANZSIC) was jointly developed by Statistics New Zealand (StatsNZ) and the Australian Bureau of Statistics. It is a standard way for grouping together business units carrying out similar activities, with each resultant group referred to as an industry with a specific name. The ANZSIC is widely used to collect, analysis and disseminate data on an industry basis by government agencies, industry organisations and researchers for various administrative, regulatory, taxation and research purposes throughout Australia and New Zealand. <https://www.abs.gov.au/statistics/classifications/australian-and-new-zealand-standard-industrial-classification-anzsic/2006-revision-2-0/introduction>

<sup>22</sup> Multipliers are explained in Chapter 6. Many economists make use of Type II multipliers.

The Business Frame, which was known as the Business Directory until 1996, links ANSEC coded data from Inland Revenue Department (IRD) and Accident Compensation Corporation (ACC), and reports business counts and employment counts. This dataset is used because it is produced annually, compared to the employment data in the Census of Population and Dwellings, which is four-yearly. The dataset is a headcount of employees rather than a full-time equivalent (FTE) so, for example, if a person has two jobs then they will be counted twice. The Business Frame is particularly useful for looking at what types of industries in which areas may be impacted, although because it is 'as of February' it may not be a good fit for industries with seasonality changes.

Market Economics converted the Business Frame Employment Count dataset into Modified Employment Counts (MECs) to include working proprietors, who are not recorded in IRD's Pay As You Earn (PAYE) information. Most businesses in New Zealand are small<sup>23</sup> and their owners are usually paid through dividends or 'drawings' from their business. The MEC metric is particularly relevant to businesses in food and fibre industries within the primary sector. The dataset was supplied to TRC as a time series from 2010 to 2022 (with a 2023 update to follow) and is used to track changes through time.

#### 1.4.2 Phase 2 – Economic Characterisation

This phase focused on gathering contextual information on Taranaki's economy and using it, together with an initial analysis of the dataset series from Phase 1, to characterise the regional economy, particularly in relation to fresh water. Phase 2 was completed by EM Consulting and followed a set of five steps:

**Step 1** – A stocktake of existing literature relevant to Taranaki's economy and fresh water. The stocktake of existing literature formed the basis of the references of this report.

**Step 2** – The creation of two map series (presented in Chapters 2, 3, and 4) that give an overview of 1) landscape, climate, and soils in the region; and 2) land use by freshwater management unit and district.

**Step 3** – Analysis of the Market Economics data sets as well as additional information from both StatsNZ and rural industries within the primary sector.

**Step 4** – Sourcing and analysis of time series data for rural industries within Taranaki's primary sector.

**Step 5** – Gathering local knowledge through a series of six interviews (undertaken on-line) with ten farmers as well as six technical experts. The content of these interviews was informed by existing research on the economic impacts of implementing the NPS-FM in other regions in New Zealand. The knowledge gained was used to 'round out' the information-base developed in previous steps.

This report is the main output of Phase 2.

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<sup>23</sup> New Zealand is a nation of small and micro business (fewer than 20 employees) – including self-employed. There are roughly 546,000 small businesses across the country representing 97% of all firms. They account for just under 30% of employment and contribute over a quarter of New Zealand's gross domestic product. <https://www.mbie.govt.nz/business-and-employment/business/support-for-business/small-business/>

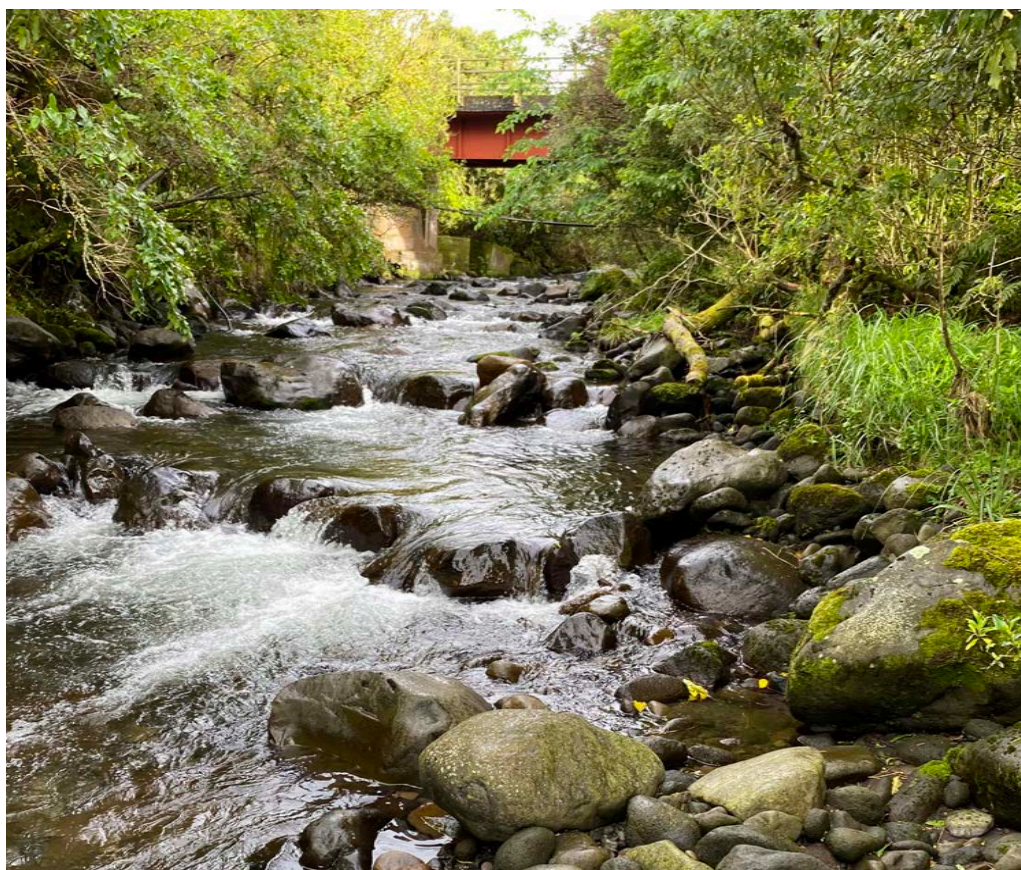


## 2 The Natural Environment

*All of the maps in this chapter were produced by Dr. Lisa Pearson (Pearson Environmental).*

As noted in Chapter 1, the Taranaki economy is both shaped and supported by the natural environment. This chapter gives a brief overview of the landscape, climate, and soils in the region to set the scene for subsequent chapters. These components interact with each other in complex ways to influence the economy and the way water flows through the region. The chapter ends with an overview of land use across the region because of its close relationship with economic activities and fresh water.

Taranaki is located on the west coast of New Zealand's North Island and covers a land area of approximately 7,254 km<sup>2</sup> (or 725,400 hectares). Taranaki Maunga is a 2,518 metre high cone volcano that dominates the landscape and is integral to the region's identity<sup>24</sup>. The region shares a long border with Manawatū-Wanganui to the east and south, and a short border with Waikato to the north-east.



*Image 22: Otakeho Stream (Otakeho township sits near the mouth of the Otakeho Stream, south-east of Ōpunake in South Taranaki)  
Photo credit: Laura West*

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<sup>24</sup> Mount Taranaki is now known as Taranaki Maunga. In 1881 the area on the summit within a 9.4 kilometre radius was set aside as a reserve by a board of conservators under the Taranaki Land Board (Fleet, 1984). By the end of the 19th Century, increasing settlement had led to increasing pressure on the land and to safeguard its forests, the area was declared a National Park in 1900 (the second in New Zealand after Tongariro) (Fleet, 1984). This step allowed the survival of podocarp-hardwood forest ranging from small lowland coastal forests with species such as nikau palms, kohekohe, and pukatea, to the higher forests of totara, broadleaf, kamahi, and above these the mountain cedars mostly on the high northern slopes (Fleet, 1984).

Originally, forests with abundant rimu, kahikatea, totara, tawa, and miro stretched over Taranaki (Fleet, 1984). Now an estimated 57.3 per cent of the region is developed land and 42.7 per cent is land in indigenous vegetation or with little vegetative cover, such as alpine slopes, beaches, and riverbeds (Image 5). The proportion of land that is developed in a catchment and its distribution within that catchment are important considerations in freshwater management. The extent of conservation estate and other protected areas can 'buffer' some of the adverse environmental effects of economic activities. However, much of this land tends to be located in the upper parts of many catchments.

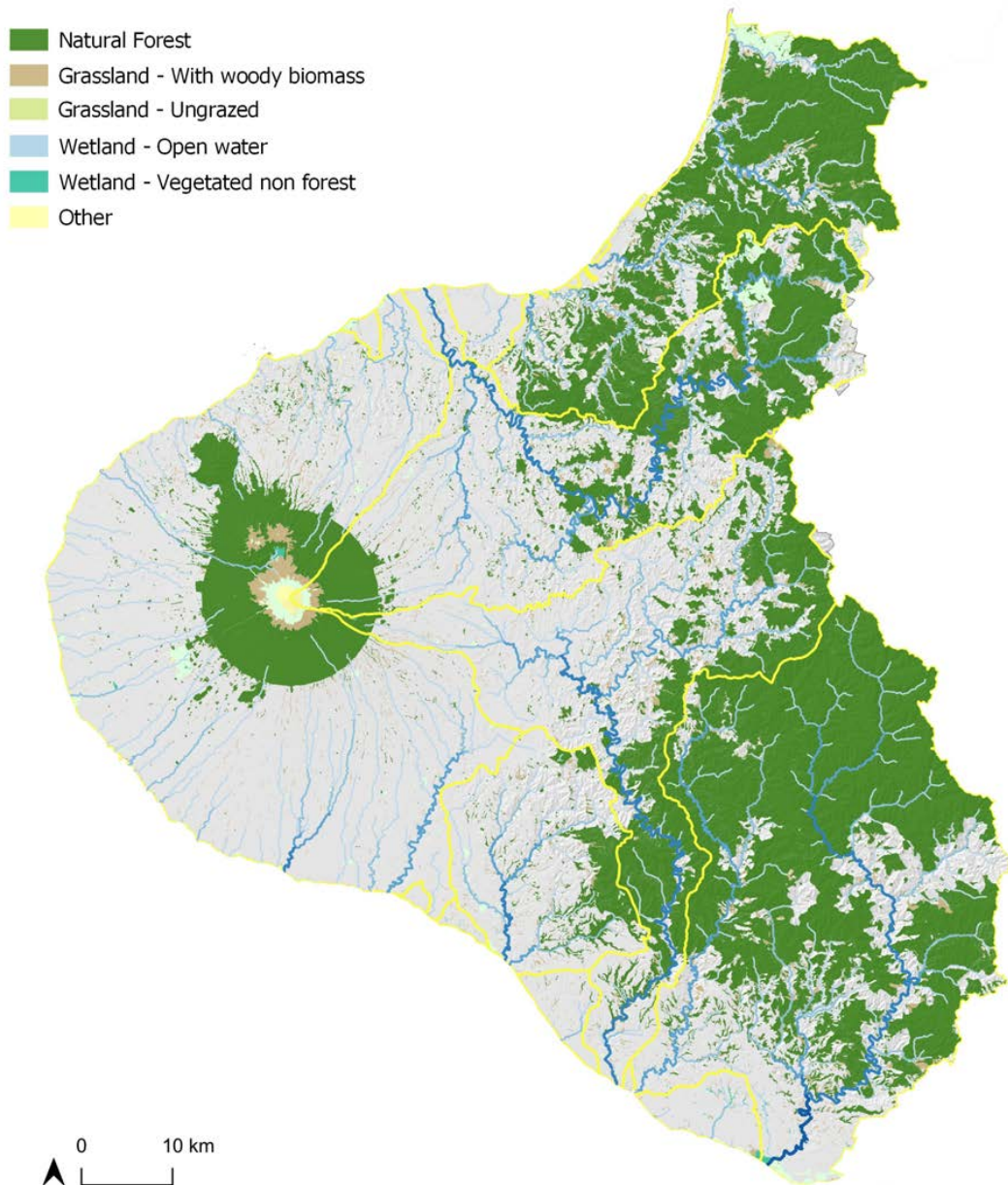


Image 5: Areas of indigenous vegetation and bare ground within Taranaki  
Note: Yellow lines on map delineate the region's Freshwater Management Units (refer to Chapter 3)

## 2.1 Landscape

In 1951, Burgess and Scott usefully described three broad topographies for Taranaki. These are updated (for changes in place names, measurements, and administrative boundaries) and summarised here:

*North and north-east uplands: Lower altitude back-country that has a broken nature, which gives it a very rugged appearance. Inland from the coast the hills rise gradually towards the Damper Range (beyond the eastern edge of the region). Some of the hills are very steep and at the base meet in narrow V-shaped valleys; others are a gentler slope with some intervening flat areas between the slopes.*

*Western Taranaki: Gentle to easy rolling country, varying considerably in altitude, and very broken by streams. These streams form a radial pattern, a ring plain circles Mount Taranaki and the Pouakai Range. Between Mount Taranaki and the sea in a northerly direction are the Pouakai and the Kaitaki ranges<sup>25</sup>. From south of Okato to Opunake there are many small conical hills and wetland hollows.*

*Eastern and south-eastern uplands: Higher altitude Taranaki back-country that is very broken land, much of it is still in bush and the area is deeply dissected by streams. A strip of less rugged coastal land runs south from Hawera to Waiinu Beach.*

As with other landscapes, Taranaki's topography is the result of its underlying geology. Geology is the primary controlling influence over elevation, hydrology, soil type, and sediment generation – it is used to assess weathering processes (e.g., erosion) where unconsolidated material or weak rocks are more erosion prone than strong more resistant rocks (Moran, 2022). In general terms, the geology is shaped by the Taranaki Basin and the products of volcanic activity, principally derived from Taranaki Maunga. Image 6 shows the region according to seven slope classes and Image 7 according to its basic geology.

The Taranaki Basin is formed from rock material eroded since the Late Cretaceous epoch to the present day being deposited as mudstones and sandstones (up to 7 km deep in places). To the east, these weak sedimentary rocks form the deeply dissected hill country. In the west Taranaki Basin's sedimentary rocks are largely covered by volcanic deposits. Many of Taranaki's oil and gas fields are found along the Taranaki Fault in the east and the Cape Egmont Fault offshore in the west.

Taranaki Maunga has erupted several times during the last millennium (most recently around 1854)<sup>26</sup>. The largest recent eruption occurred in about 1655 with widespread tephra (rock fragments) falling across the central North Island. There has been intermittent volcanic activity at this site for the last 130,000 years. Former cones have collapsed on three occasions and in each case extremely large volumes of material flowed more than 40 kilometres to reach the present coastline. They have created the distinctive mounds or hummocks on the lowlands surrounding the volcano.

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<sup>25</sup> Taranaki Maunga, the Pouākai and Kaitake ranges are collectively referred to as Ngā Maunga.

<sup>26</sup> <https://www.geonet.org.nz/about/volcano/taranakiegmont> More detailed information is available in Cronin et al. (2021): <https://www.tandfonline.com/doi/full/10.1080/00288306.2021.1895231>

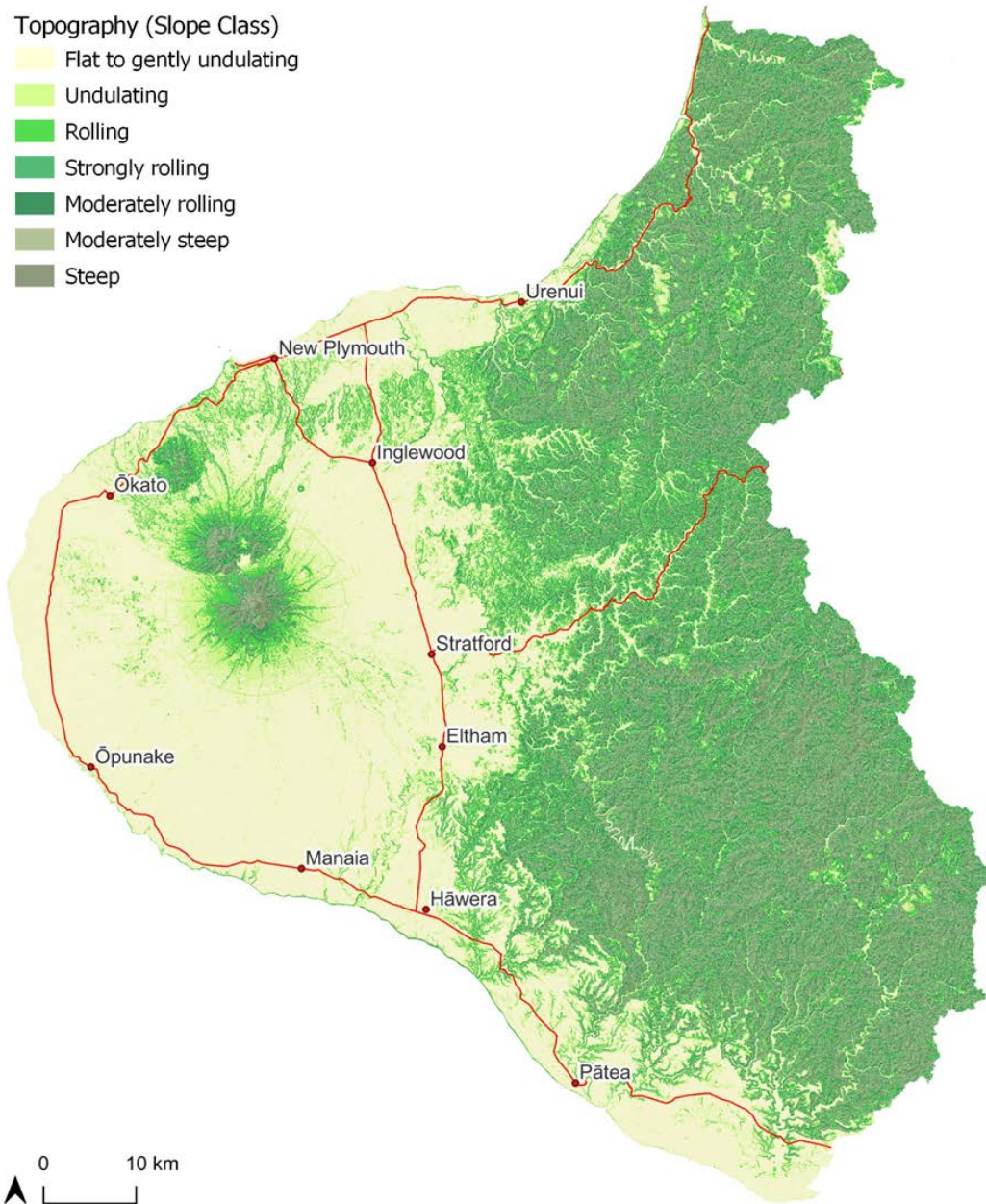


Image 6: Topography of Taranaki

Notes: Slope Classes are defined as 0-4° flat to gently rolling, 4-8° undulating, 8-16° rolling, 16-21° strongly rolling, 21-26° moderately steep, and greater than 26° steep to very steep (Newsome et al., 2008). Red lines on map are state highways and the towns were selected on the basis of being reference points to help with orientation, rather than population size.

An interactive slope map is available at <https://landscapedna.org/maps/other-information/slope/>

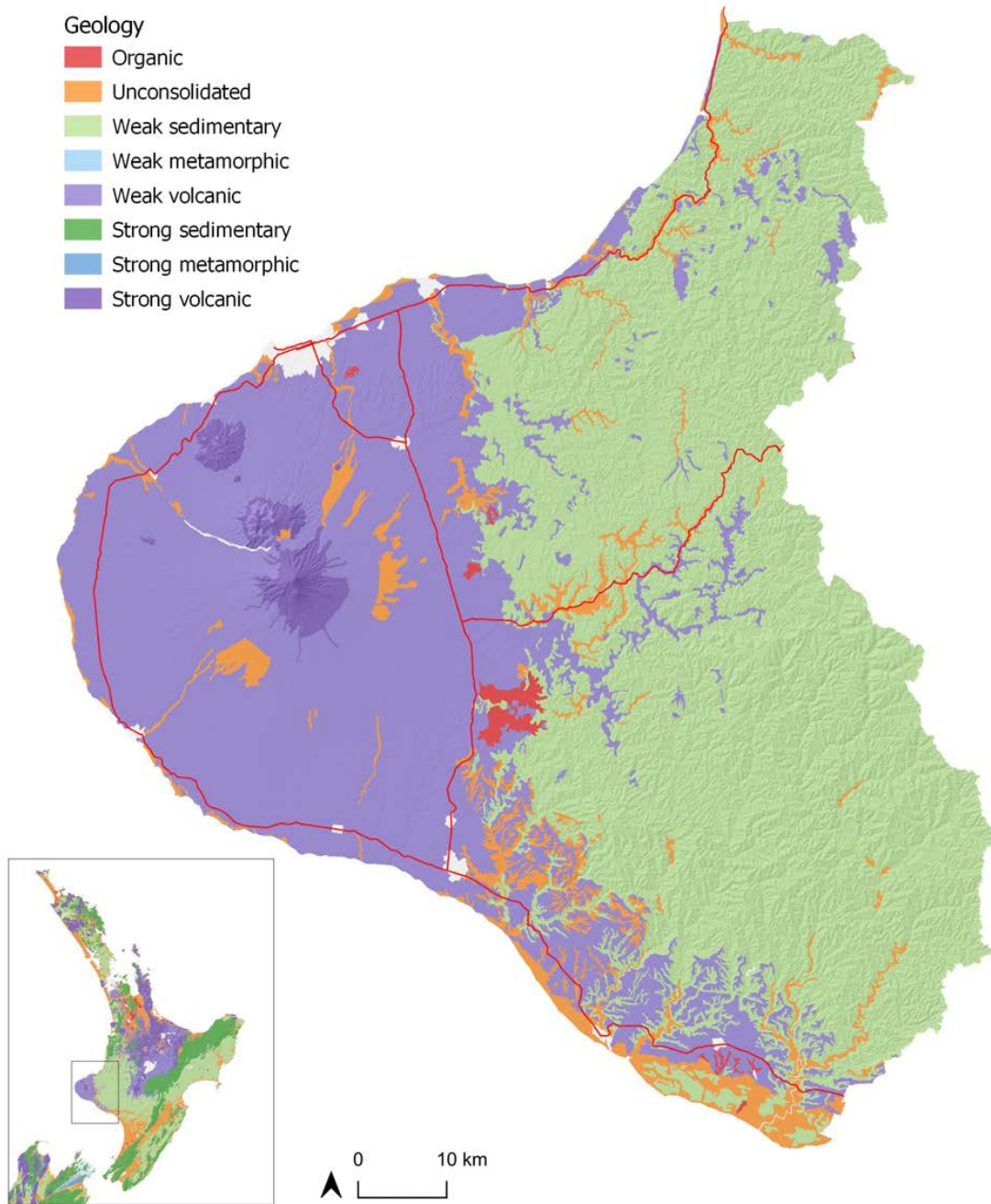


Image 7: Geology of Taranaki by rock type

Note: Red lines on map are state highways.

An interactive version of this map is available at <https://landscapedna.org/maps/other-information/base-rock-strength/>

## 2.2 Climate

*This section is largely based on [The Climate and Weather of Taranaki \(Chappell, 2014\)](#)<sup>27</sup>.*

Taranaki experiences weather systems that migrate across the Tasman Sea as a predominantly westerly airstream. In general, it is a sunny, windy region with a good supply of rainfall that is fairly evenly distributed throughout the year and moderate temperatures. A locality's winds (and so rain) are influenced by local terrain effects, notably its position relative to Taranaki Maunga and the central high country and the orientation of the coast (e.g., south-easterly flows are more common at New Plymouth Airport, which is near Waitara, and northerly flows at Stratford and Hawera). The climate is generally well suited for pastoral farming, with high numbers of 'growing degree days'<sup>28</sup> and 'wet days' (where more than 1 mm of rain falls), although moisture deficits during the summer (particularly in the south) can limit pasture production.

The main rain-bearing winds in the region are northerly to westerly and Taranaki Maunga has an orographic effect, creating a rain shadow to the south. At New Plymouth annual rainfall is just over 1,400 mm but at Inglewood (18 km south-east) it reaches almost 2,400 mm. At Stratford annual rainfall is just over 2,200 mm yet it is only around 1,100 mm at Hawera and Manaia. The frequency of rain increases towards Taranaki Maunga and rain is often heavier and more intense in the high country than elsewhere. Overall, annual rainfall is fairly consistent across Taranaki compared to the rest of New Zealand (Image 8).

Throughout Taranaki there is a seasonal variation in rainfall with a winter maximum and a summer or early autumn minimum. The proportion of a locality's annual rainfall that occurs in winter (June to August) is fairly consistent across region (a 4% range from 27% to 31%). However, the proportion that occurs in summer (December to February) is more variable (a 7% range from 18% at Normanby to 25% at Inglewood). There are roughly 155 'wet days' annually over the region as a whole (ranging from 118 days to 193 days).

Most of Taranaki experiences warm summer afternoon temperatures of 20-22 degrees Celsius (towards the summit of Taranaki Maunga is much cooler). During winter nights, temperatures near the coast are milder (6-8°C) than further inland (2-3°C) and at higher elevations. Low-lying coastal areas have an average annual temperature of around 13.5 degrees Celsius and in the inland hill country it is usually between 10 to 12 degrees Celsius. The daily ranges in temperature (i.e., the difference between minimum and maximum) and the extreme maximum temperatures in Taranaki are smaller than those in the eastern side of New Zealand. Daily ranges are smaller at the coast (e.g., New Plymouth and Patea) than inland locations such as Stratford (but ranges narrow as altitude increases). Image 9 shows how annual temperature across the region varies with elevation.

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<sup>27</sup> All numbers given are calculated from a 1981-2010 'normal' period ('normal' is an average or estimated average over a standard 40-year period).

<sup>28</sup> Growing degree days are a measure of heat accumulation above a selected base temperature (e.g., 5°C or 10°C) that represents a threshold for plant growth. Total growing degree days indicate how much warmth is available for a plant's biological growth over a certain time period (e.g., a year). The total annual growing degree days above a base of 5°C at New Plymouth are 3,176, Normanby are 2,782, and Stratford are 2,462. By comparison, they are typically around 1,800 in Southland (Moran et al, 2017). The length of a plant's growing season (as well as when it starts and ends) influences the nature of agriculture and horticulture in a region.

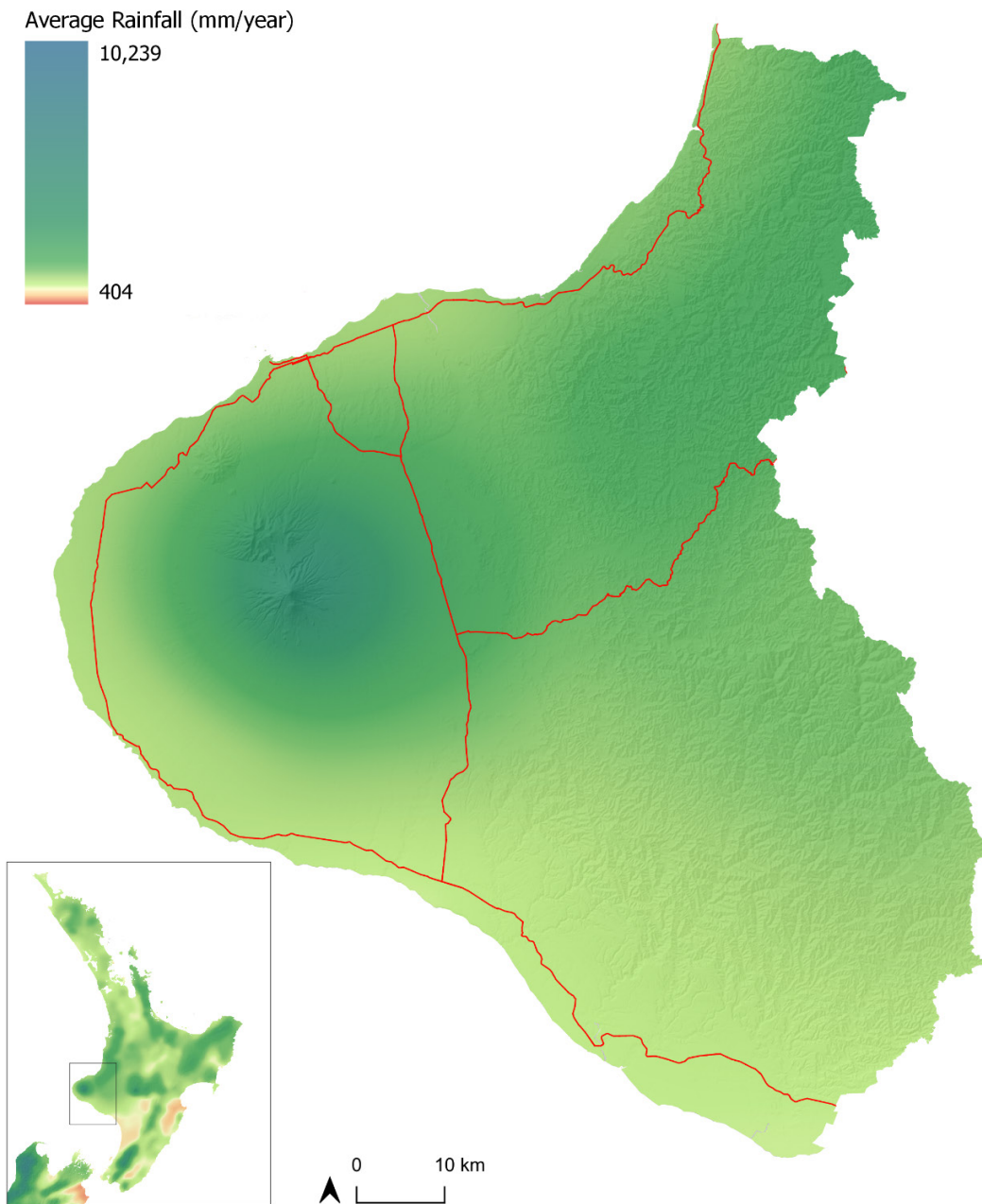


Image 8: Average annual rainfall for Taranaki (Ministry for the Environment and Statistics New Zealand, 2017)

Note: The map is created using a scale for New Zealand to put the region's rainfall in context with what occurs elsewhere as well as indicating critical levels of 400 mm (red to yellow) and around 1,000 mm (yellow to green).

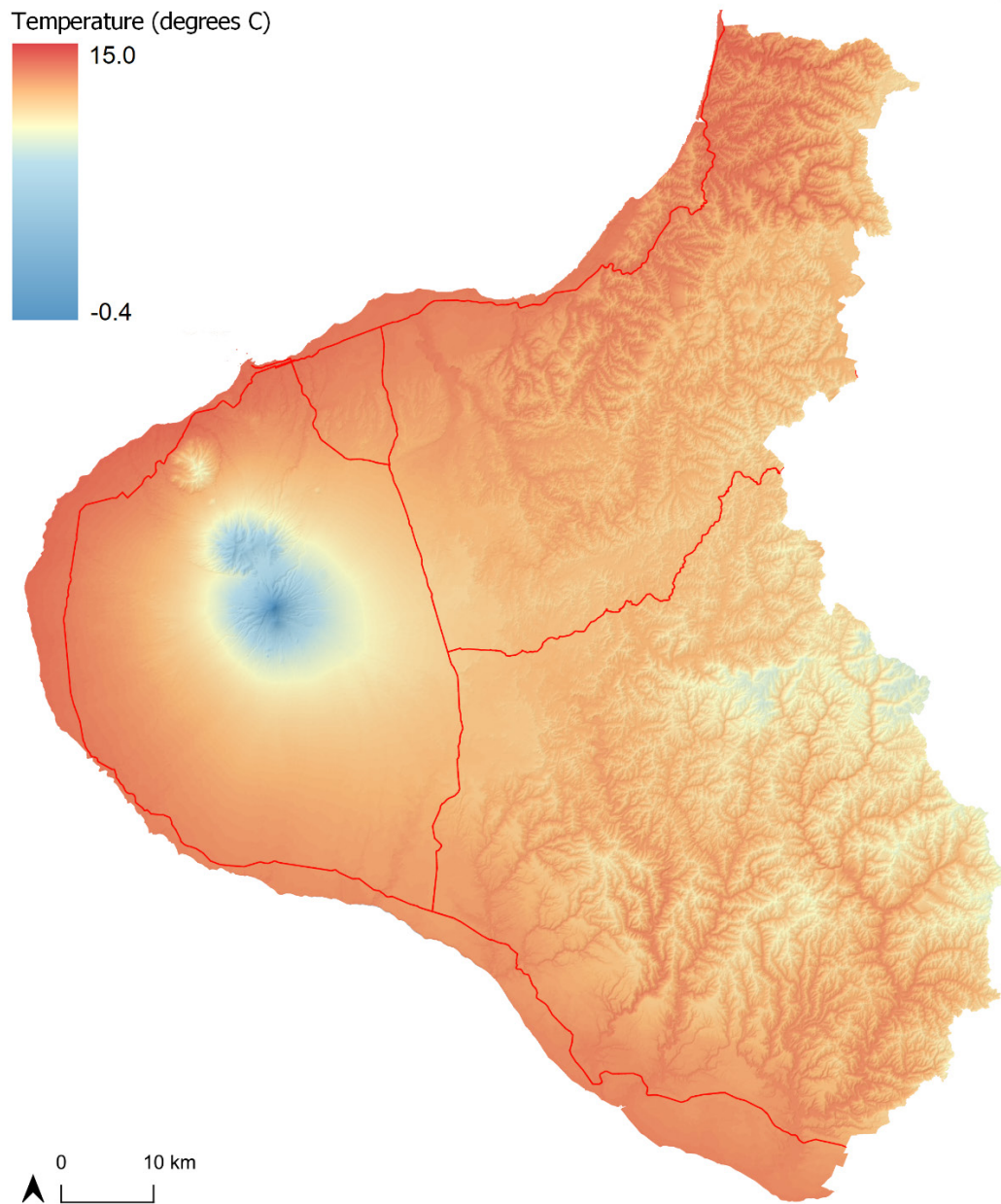


Image 9: Annual average air temperature for the Taranaki Region (Leathwick, 2002).  
Note: The map is based on a threshold of 10 degrees (yellow).



Changes to Taranaki’s climate in the future are likely to be considerable (Macara et al., 2022). Some of the main projections include more hot days, fewer frost days, a shift to larger extreme rainfall events, and increased potential for drought. These projections are likely to result in the region’s hydrological regime shifting towards more hydrological extremes (wet or dry). One effect is that mean annual low flows are expected to decrease for most catchments. A changing climate will have impacts across the region (Table 1). It is anticipated that these impacts will occur in the mid-term and be exacerbated over the longer term.

Table 1: Summary of key potential impacts of a changing climate in Taranaki (Macara et al., 2022)

Topic	Potential climate change impact
Hill country erosion and landslides	Increased risk of land degradation resulting from landslides and soil erosion may be anticipated due to projected increase in severity of extreme rainfall events. Erosion control initiatives (e.g., planting trees) will remain a useful way to retain productive soil on farms and reduce sediment entering waterways.
Pasture growth	Warmer winter and spring periods will allow increased seasonal growth rates. Summer growth may be suppressed by i) temperatures that are too high, and ii) limited water availability due to increased potential evapotranspiration deficit.
Exotic forest	Increased productivity due to increased temperatures and carbon dioxide. The extra growth caused by carbon dioxide fertilisation may make trees more susceptible to wind damage. Projected increase in fire risk, and drier conditions may result in faster fire spread and greater areas burned.
Ecosystems	Loss of habitat due to sea-level rise and coastal erosion (coastal squeeze) – this impact could be made worse by human responses to climate impacts e.g., sea walls. Risks to indigenous ecosystems and species due to the increased spread of invasive species. Warming oceans may impact the distribution of marine species (native and invasive).
Human health	Direct impacts on health via increased flooding, fires, and infrastructure damage, displacement of people, extreme heat. Indirect impacts on health via things such as harmful algal blooms, microbial contamination, food availability and quality, mental health and wellbeing, outdoor air quality, and carriers of new diseases.

The Taranaki FENZ<sup>29</sup> district (in Region 3, Te Upoko) has a relatively high proportion of ‘intermix’ (31.7%) compared to elsewhere in New Zealand (Langer et al., 2021). This proportion is similar to Waikato FENZ district (34.5%) and follows Waitemata FENZ district with (49.5%). ‘Intermix’ is where small residential properties and other urban-associated buildings are interspersed with predominantly rural land uses.

<sup>29</sup> Fire and Emergency New Zealand.

## 2.3 Soils

*This section was written by Dr Lisa Pearson (Pearson Environmental).*

Soils are essential for land-based primary production systems and are, essentially, a non-renewable resource because they take years to centuries to develop. Along with topography and climate, they influence what land uses are possible and where these uses generally occur in the landscape. In the Taranaki region there are two quite distinct landscapes used for agricultural and forestry production, the younger ring plain of Mt Taranaki in the west and the eastern mountain range and hill country. Taranaki's soils in these landscapes reflect the age, parent materials, climate, topography, and biological activity (microbes and vegetation) during their formation rather than present day conditions (Molloy & Christie, 1998).

An early soil map was produced in western Taranaki in 1933 compiled from reconnaissance soil surveys by Grange and Taylor at a scale of 1:253,440 (Harris, 1933). However, it was not until the NZ Soil Bureau DSIR mapped the 'General Survey of the Soils of the North Island, New Zealand' in 1954 that a regional soil map was developed. During the 1960s and 1970s, a number of smaller more detailed county surveys were undertaken at a scale of 1:63,360 (inch:mile; Aitken et al., 1978, Campbell & Wilde, 1969, Palmer et al., 1981). The soil surveys involved in-depth descriptions of the landscape, the physical properties of the soil, and detailed chemical analysis of soil samples. These soil surveys were combined as part of the Land Resource Inventory for New Zealand<sup>30</sup> with the 1:253,440 general soil survey between 1975 and 1979 at 1:63,360 scale (NWASCO, 1975-79; Fletcher, 1987; Newsome et al., 2008).

From the NZLRI, a national digitised Fundamental Soil Layer was derived (Manaaki Whenua Landcare Research) rescaling the soil information to 1:50,000 using detailed air photo and field interpretation. At this scale, the map units represent landform features and as a result there may be more than one soil type mapped within a defined area. The Fundamental Soil Layer updated the soil genetic group classification to the New Zealand Soil Classification (NZSC), a 5 level – hierarchical classification according to Hewitt (2010).

### 2.3.1 Soil Order

At the most generalised national level of the New Zealand Soil Classification, there are 15 soil orders of which nine soil orders are identified in the Taranaki Region (Table 2 and Image 10). Many farmers and growers will be familiar with level 4 of the classification (soil series or family) that typically uses the local name from the original soil surveys to describe the soil at that location (e.g., Egmont, New Plymouth, and Stratford). Interactive maps of the Fundamental Soils Layer are available online from Manaaki Whenua Landcare Research at <https://soils.landcareresearch.co.nz/tools/fsl/maps-fsl/><sup>31</sup>.

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<sup>30</sup> The NZLRI was initially prepared for the National Water and Soil Conservation Organisation (NWASCO), later the National Water and Soil Conservation Authority (NWASCA), by the Water and Soil Division, Ministry of Works and Development, and later by DSIR Land Resources, Palmerston North and Christchurch. Present-day upgrading is carried out by Manaaki Whenua Landcare Research.

<sup>31</sup> For more information on the soils present in the Taranaki Region: <https://soils.landcareresearch.co.nz/topics/soil-classification/nzsc/>

Table 2: New Zealand Soil Classification Soil Orders in Taranaki

NZSC Soil Order	Mapped area (ha)	Percentage of region
Allophanic	351,955.20	48.51
Brown	209,835.95	28.92
Recent	118,750.47	16.37
Gley	15,245.01	2.10
Raw	13,602.54	1.87
Organic	4,660.83	0.64
Pumice	4,051.77	0.56
Melanic	1,493.82	0.21
Pallic	625.81	0.09
Ultic	51.47	0.01

Data source: Fundamental Soil Layer, Manaaki Whenua Landcare Research.

Allophanic soils are extensively distributed across the region, covering just under half of the land area. They are formed predominantly in volcanic parent materials, especially ash and basaltic scoria (Hewitt, 2010). Allophanic soils are strongly influenced by the presence of short-range order minerals, especially allophane, imogolite, and ferrihydrite. This makes the soils weak in strength and sensitive to structural damage, with a low bulk density and high to very high phosphorus retention. There are 29 soils classified as Allophanic soils in Taranaki with the most extensive being Egmont, New Plymouth, Stratford, Patua, and Inglewood soil series.

Brown soils are the second most common soil order covering 29 per cent of the region. They are mature soils that have well developed top and subsoil horizons. Iron oxides give the soil a yellow to brown colour. Brown soils occur where summer dryness is uncommon and that are not waterlogged in winter (Hewitt, 2010). There are 14 soils classified as Brown soils in Taranaki with the most extensive being Whangamomona, Tirangi, Mohakatino, Mokau, and Kohurataki soil series.

Recent soils are found on young landscapes, including recent alluvial floodplains, slopes mantled by young volcanic ash at elevations where conditions are suitable for soil to develop a topsoil. The concept of the order relates predominantly to weak soil development rather than to the length of time of soil formation (Hewitt, 2010). The most extensive Recent soils are the Moumahaki, Tongaporutu, and Hangatahua soil series.

Gley soils are naturally poorly drained, resulting in anoxic conditions formed due to prolonged saturation limiting oxygen. A distinctive characteristic of the soil order is the low chroma colours and/or mottles. They form in low lying areas with a high groundwater table, or seepages. The most extensive Gley soils are the Kairanga, Kiakorangi and Rahotu soil series.

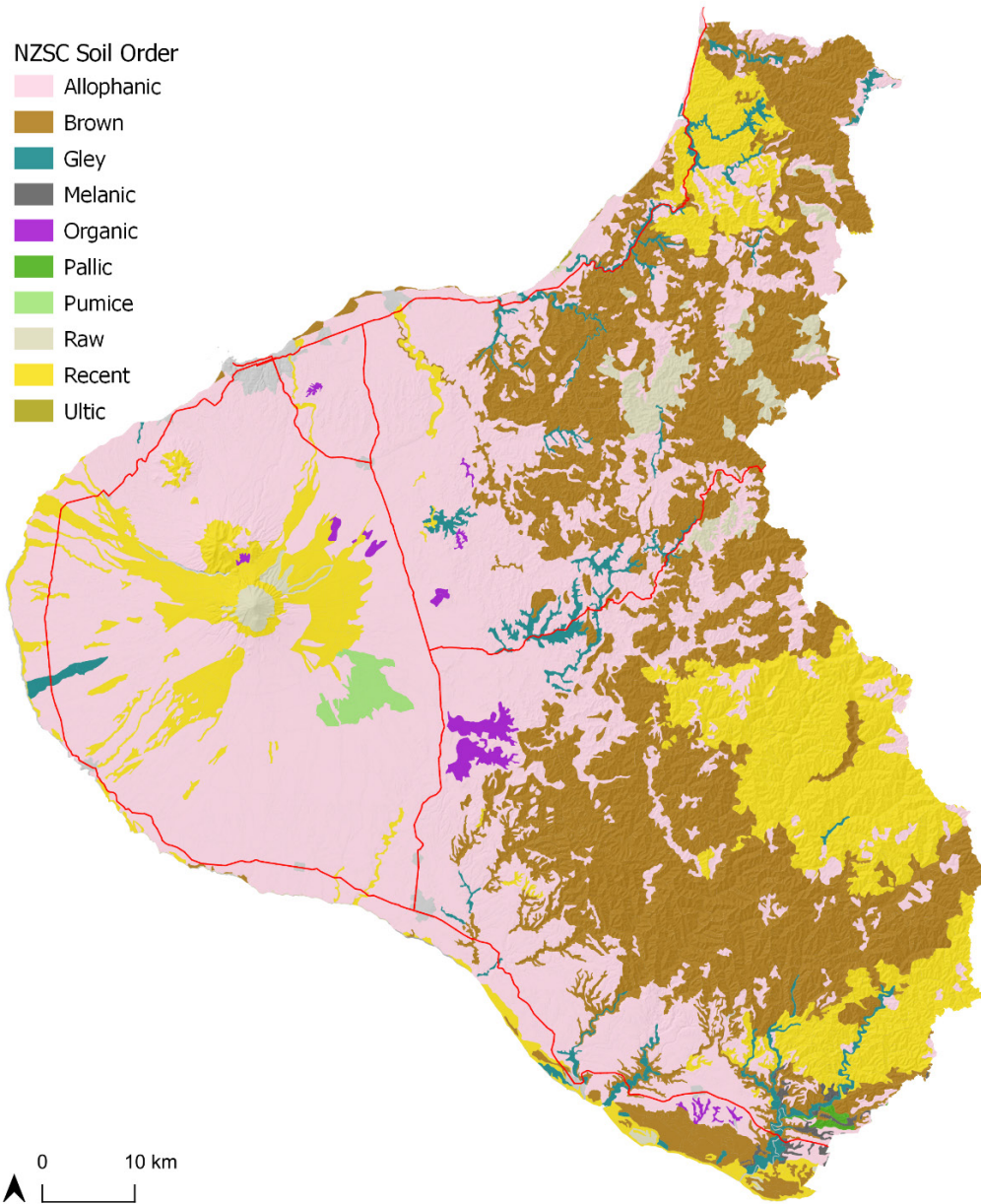


Image 10: New Zealand Soil Classification Orders in Taranaki

### 2.3.2 Soil Drainage

Many of the limiting properties of the soils have been overcome with human intervention. In particular, synthetic fertilisers are used to address nutrient deficiency, and the installation of artificial drainage and irrigation helps to reduce climate limitations. Irrigation in Taranaki is most commonly located along the coast.

Soil drainage is a key factor when assessing suitability of a soil for production, with the most favoured land typically being flat and well drained. However, what is ideal soil drainage conditions is strongly dependent on the product being produced. For example, the semi-arid soils of the Central Otago region are sought after for wine production and do not match the typical description of soil suitability. Image 11 shows the drainage class of the soils of the Taranaki region without any modification by artificial drainage.

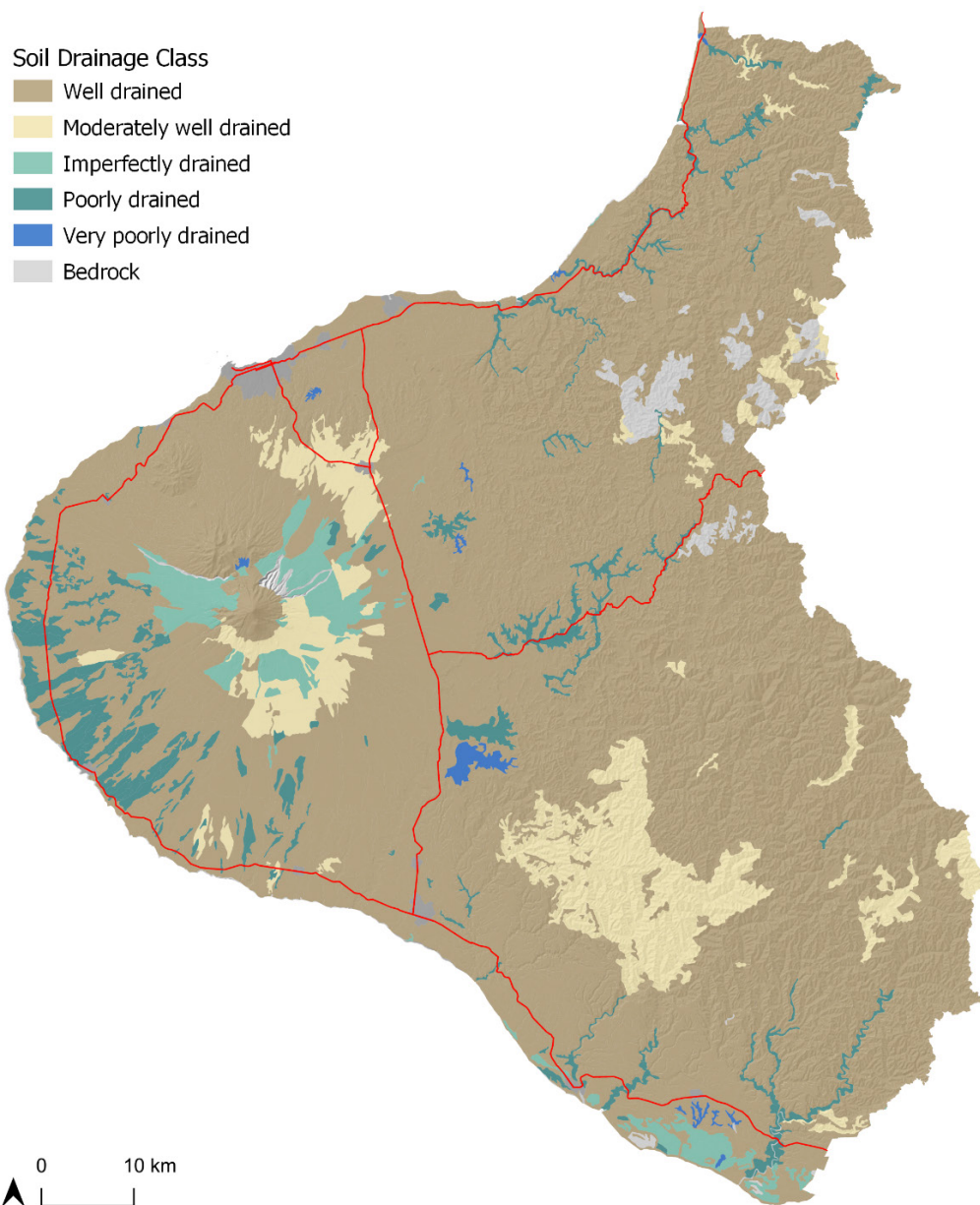


Image 11: Soil drainage in Taranaki

Artificial drainage improves the drainage of water by speeding up its lateral flow through the soil to waterways. However, the ability of the soil to reduce water quality contaminants is also reduced by reducing the soils attenuation capacity. The limitation of wetness is reduced by reducing the moisture in soil and thereby increases the amount of air which provides conditions for optimal growth of crops. This has allowed areas previously considered unsuitable for agriculture to be developed, especially to the west of the region on the ring plain.

Artificial drainage in the Taranaki Region is most commonly surface ditches but also includes sub-surface drainage. Open ditch drainage is typically used to lower the water table. A prediction of the extent of artificial drainage in Taranaki is shown in Image 12 (Pearson and Rissmann, 2021)<sup>32</sup>. The actual extent of drainage may differ depending on the soil moisture needs of the current land use.

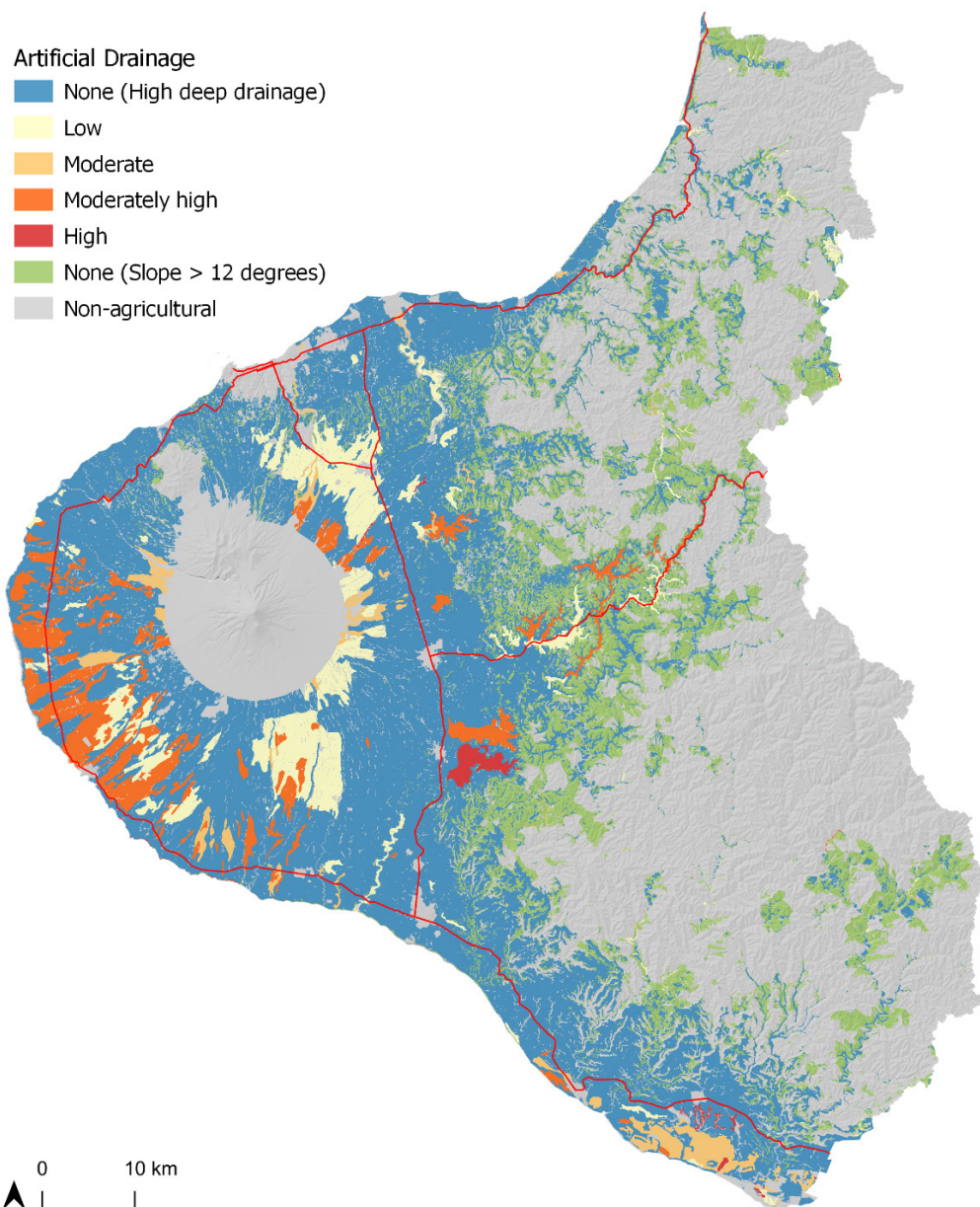


Image 12: Predicted artificial drainage density in Taranaki

32 An interactive version of this map is available at <https://landscapedna.org/maps/hydrology/artificial-drainage/>

## 2.4 Land Use Patterns

This section outlines current land use patterns and land use capability classes in Taranaki, ahead of looking at the region's FMUs and districts in the next two chapters. Understanding land use patterns is important because 1) they help shape a region's economy and 2) they connect the management settings for fresh water with a locality. As will be explained below, rural land use patterns are influenced by the land's versatility and physical limitations, or its 'land use capability'.

Since land development began in New Zealand, the ways that land is used have changed over time with the shifting fortunes of different industries and communities. Reasons for change are usually complex but can include shifts in the supply of inputs, demand for products, market access, new or aging infrastructure, transport, technology, entrepreneurialism, and government policy. The nature of opportunities and constraints created mean land use cycles vary in length – some may be relatively transient while others are more persistent in the landscape, becoming part of the economic and social fabric of a place over time. Since the Government's deregulation of agriculture in 1984, which principally involved the removal of subsidies, the main land use 'trend' in Taranaki has been relative stability in comparison to the experience of many other regions.

The uses that land can be put to depends (in large part) on its versatility and physical limitations. These two aspects are core to the Land Use Capability (LUC) classification system, which is used to assess the capability of land for sustained primary production (Lynn et al., 2009). There are eight main LUC Classes as well as two layers of subclasses that provide more information on the limitations<sup>33</sup> of the landscape and their severity. They do not include the sensitivity of any receiving environment to the effects of a land use, and so do not infer its suitability for a specific location at a particular time<sup>34</sup>.

*LUC Classes 1 to 4 are suitable for arable cropping (including vegetable cropping), horticultural (including vineyards<sup>35</sup> and berry fields), pastoral grazing, tree crop or production forestry use. Classes 5 to 7 are not suitable for arable cropping but are suitable for pastoral grazing, tree crop or production forestry use, and in some cases vineyards and berry fields. The limitations to use reach a maximum with LUC Class 8. Class 8 land is unsuitable for grazing or production forestry and is best managed for catchment protection and/or conservation or biodiversity.*

**Lynn et. al. (2009)**

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<sup>33</sup> Limitations include susceptibility to erosion, steepness of slope, climate, susceptibility to flooding, liability to wetness or drought, salinity, and depth, texture, structure and nutrient supply of the soil. Some limitations may be seasonal in effect, such as snow cover and seasonal waterlogging in some soils while others are limiting all year round (slope, soil depth, and stoniness).

<sup>34</sup> The concept of 'land use suitability' is extremely complex and context specific. Through the 'Our Land and Water' National Science Challenge, an attempt was made to introduce and apply such a concept that focused on 'balancing' productive land and water quality (McDowell et al., 2018). However, the suitability of a land use is how it contributes to the system being 'in balance', rather than it being a question of trade-offs within a catchment.

<sup>35</sup> The LUC system is not necessarily a good fit for viticulture as prime grape growing soils are typically less fertile soils, often falling into the higher bands of the LUC classification system (Moran, 2023).

Focusing on rural developed land, Taranaki has a relatively balanced distribution of LUC Classes, which is unusual in New Zealand as many regions have limited proportions of the most versatile land (LUC 1-2). Figure 1 and Image 13 show Taranaki has a large proportion of LUC Class 1-4 land (57%). The only regions in New Zealand with proportionally more LUC Class 1-4 land are Southland (68%) and Auckland (58%). For the purposes of this analysis, rural developed land is that identified as grazed pastoral, cropping, orchards and vineyards from the New Zealand Land Use Map (source LUCAS)11, and excludes urban land, forestry and conservation estate. For completeness, forestry land is included in the map.

Taranaki has the second highest area of LUC 1 land of any region (345 km<sup>2</sup>) second only to Waikato (430 km<sup>2</sup>). With a total of 2,291 km<sup>2</sup> of LUC Class 1-4 land, Taranaki is on a par with Hawkes Bay (2,595 km<sup>2</sup>) and the Bay of Plenty (2,661 km<sup>2</sup>), despite being a smaller region. In general terms, the market value of land at a point in time is determined by its 'highest and best' land use that is practical, feasible and legally permissible (Moran, 2023).

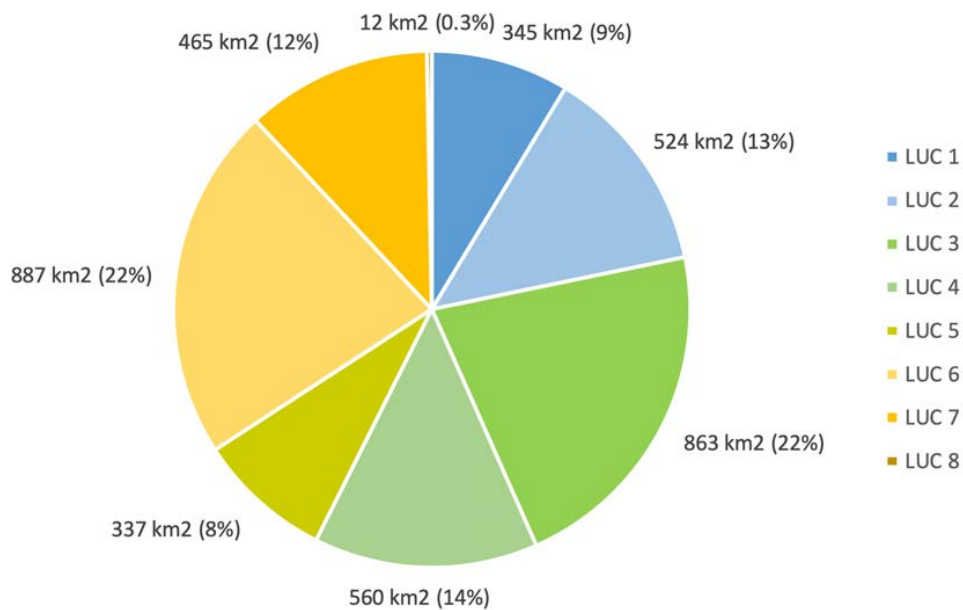


Figure 1: Distribution of Land Use Capability Classes for rural developed land in Taranaki

Source Data: Manaaki Whenua Landcare Research<sup>36</sup>

Note: A km<sup>2</sup> is 100 hectares and thus 1,000 km<sup>2</sup> = 100,000 hectares.

<sup>36</sup> This data is accessible through the LRIS portal: <https://iris.scinfo.org.nz/layer/48076-nzlr-land-use-capability-2021/>



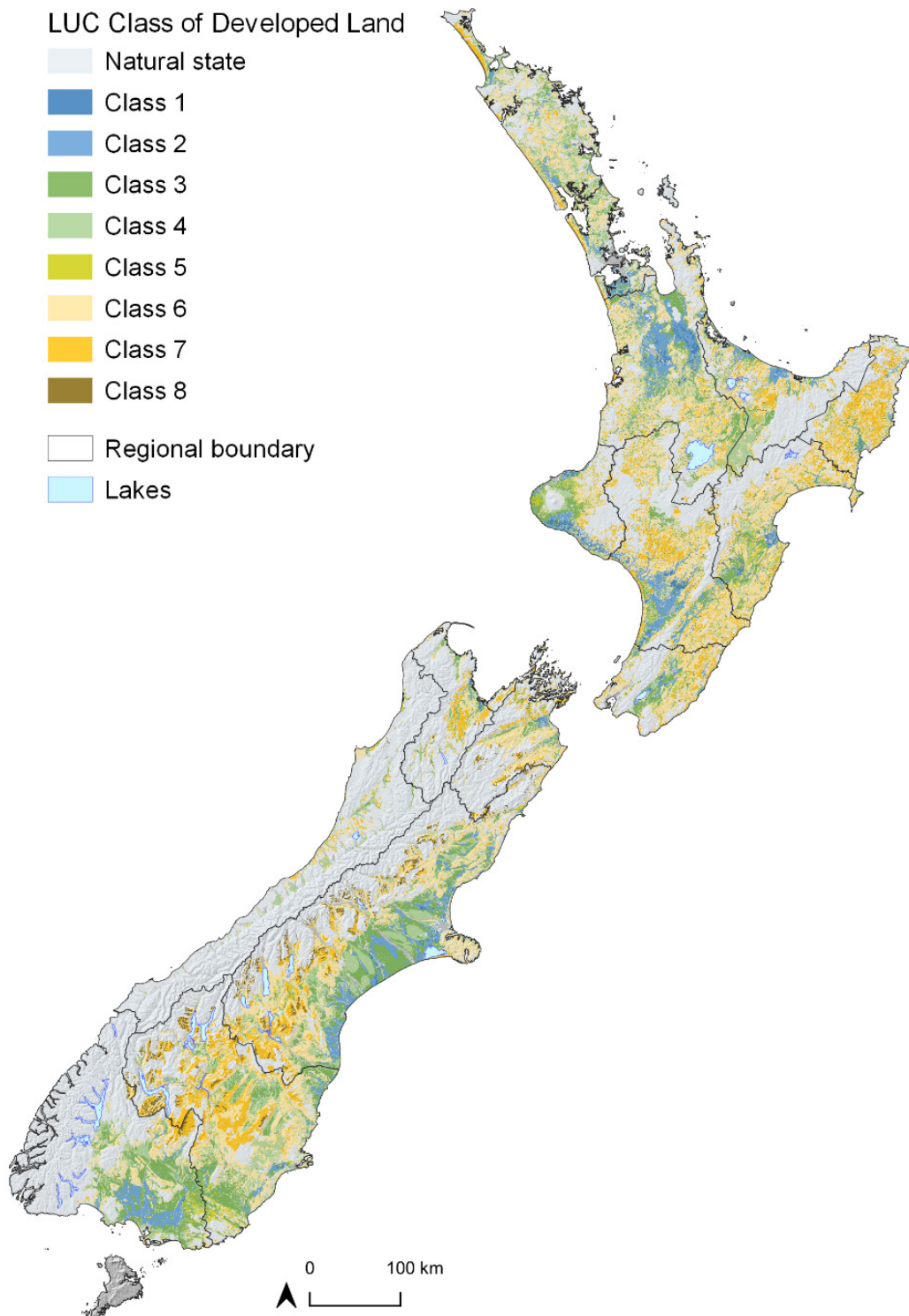


Image 13: Distribution of Land Use Capability Classes across rural developed land in New Zealand

Source Data: Manaaki Whenua Landcare Research

Note: The map shows all rural developed land (i.e., grazed pastoral, cropping, orchards and vineyards plus forestry).

The relatively high proportions of LUC Classes 1-4 in Taranaki are reflected in the land development that has occurred in the region since the late nineteenth century. Image 14 is a representation of the level of land development across the region in 1880 and Image 15 indicates current land use patterns across the region. The latter is useful for understanding the broad distribution of urban and rural economic activities across the landscape.

Image 15 (the current regional map) and the subsequent FMU and district maps in Chapters 3 and 4 are indicative only and are relatively low resolution in comparison to a fully developed land use map. For example, they do not show the ribbons of riparian plantings across farmland in the region. The maps were created by symbolising LUCAS land use for 2016 and overlaying the subclasses for dairy and non-dairy grazed grassland. These estimates of land use are not quantified in this report because there is more uncertainty about some land uses in comparison to other regions where information is available via consenting requirements for certain activities.

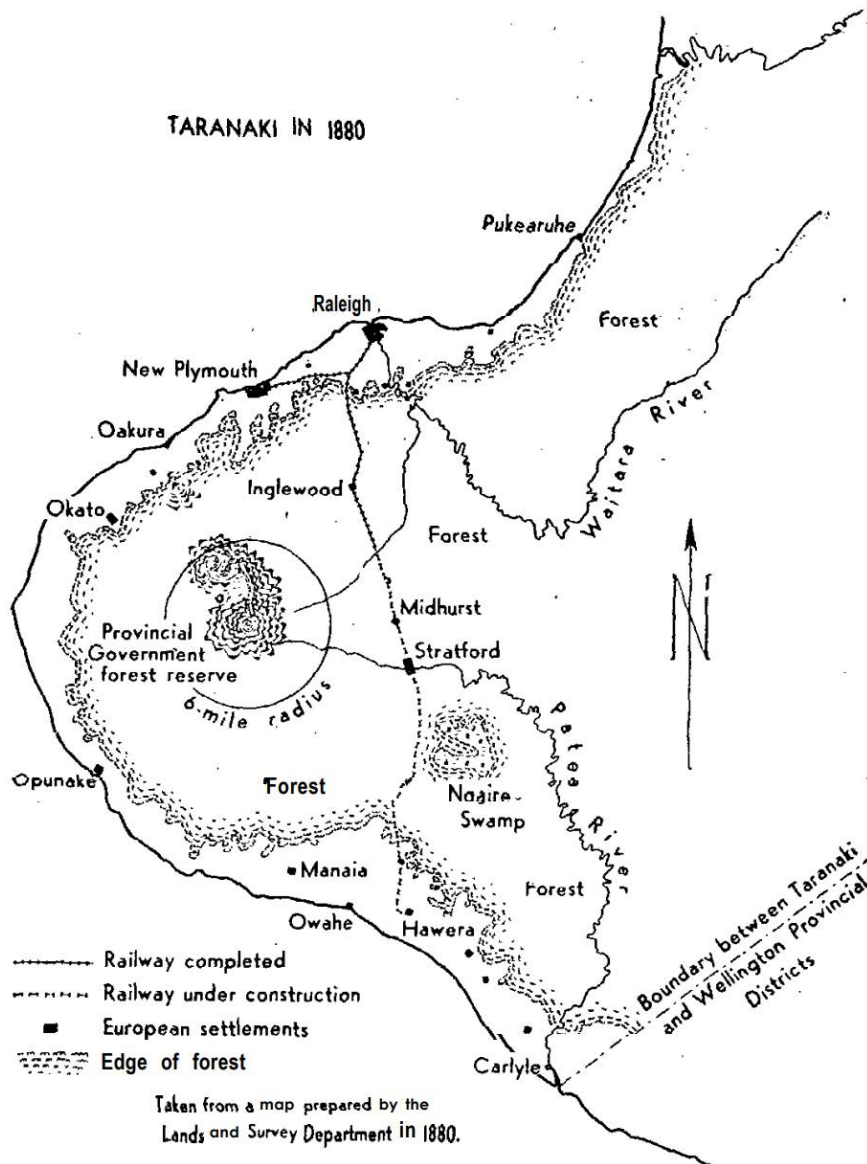


Image 14: Land development in the Taranaki Province in 1880  
Source: Burgess and Scott (1951)

### Taranaki Land Use Map

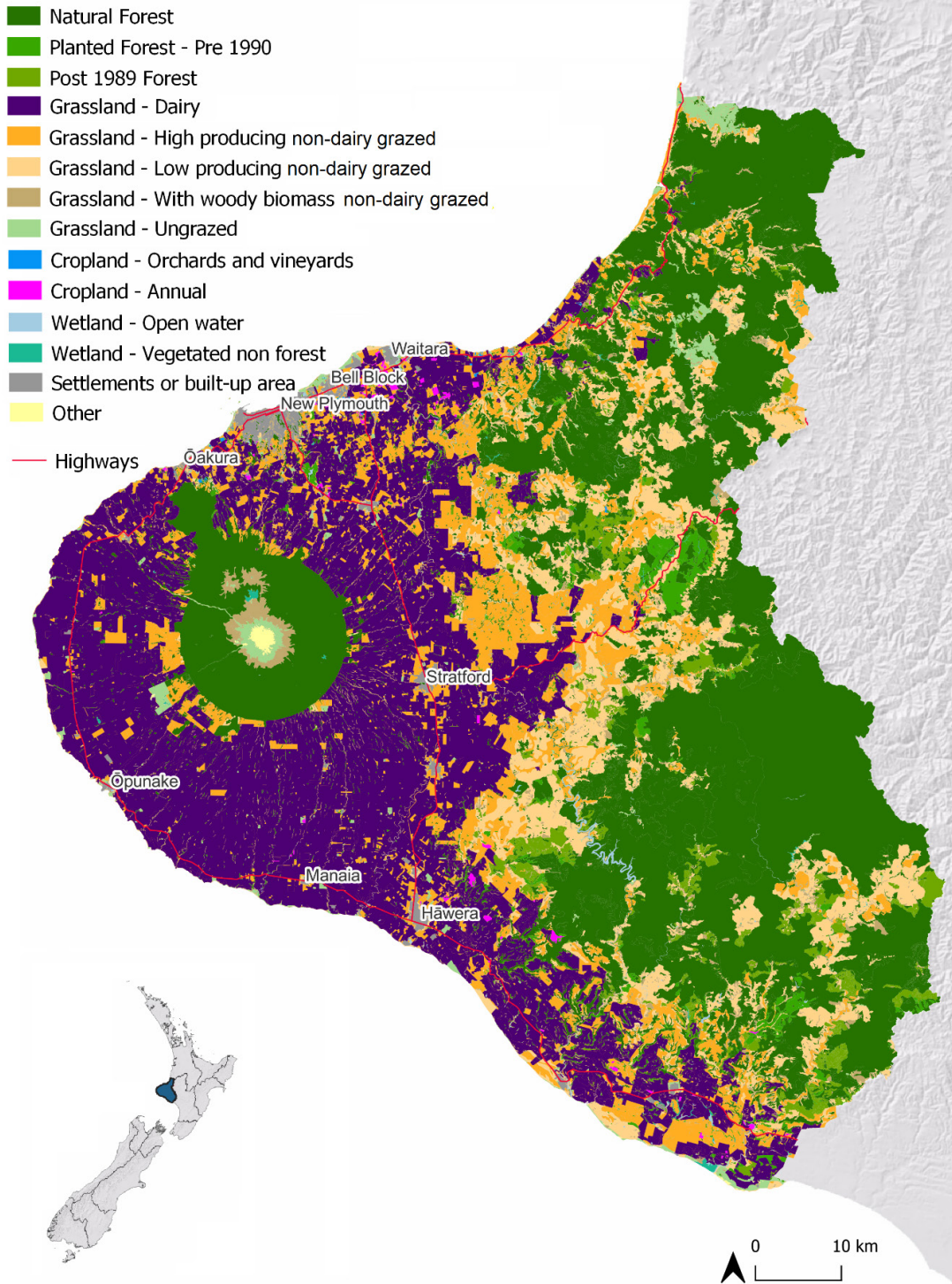


Image 15: Estimated Land Uses in Taranaki in 2016

Source data: Ministry for the Environment – Land Use and Carbon Analysis System (LUCAS)

<https://data.mfe.govt.nz/layer/52375-lucas-nz-land-use-map-1990-2008-2012-2016-v011/>

Note: Taranaki Regional Council are currently developing a formal land use map for the region.

### 3 Taranaki's Freshwater Management Units

*Note: All of the maps in this chapter were produced by Dr. Lisa Pearson (Pearson Environmental).*

This chapter gives an overview of the spatial scale within the region that some of the policy options for the proposed Land and Freshwater Regional Plan may be applied. However, while they may occur at this spatial scale, many of their impacts can be expected to occur at more of a district-scale (Chapter 4). Just as waterbodies are the 'receiving environments' for the use of water in our economic activities, our local economies are the 'receiving environments' for the impacts of efforts designed to manage those uses.

As part of implementing the National Policy Statement for Freshwater Management 2020, a regional council must set 'Freshwater Management Units' (or FMU). A FMU is the spatial scale that a regional council considers is appropriate for managing fresh water, which includes 'freshwater accounting'<sup>37</sup>. This spatial scale can include all or any part of a water body or water bodies, and their related catchments. Across New Zealand FMUs are often based on surface water catchments.

In Taranaki there are six FMUs: Volcanic Ring Plain, Coastal Terraces, Northern Hill Country, Waitara Patea, and Southern Hill Country.

*Taranaki rivers, streams, lakes and wetlands are unique with their own characteristics and pressures. To better understand and manage these complexities, the region has been divided into six units – each with their own challenges and opportunities, and each requiring purposed-designed solutions.*

**Taranaki Regional Council: Freshwater Management in Taranaki<sup>38</sup>**

In the proposed Land and Freshwater Regional Plan, policy options for managing fresh water will apply either to a specific FMU or more broadly across Taranaki.

Taranaki's FMUs, like those in many regions around the country, are largely based on surface water catchments. Yet a local economy usually occurs at a district-scale, and so differs geographically. In some regions one may be entirely within a single FMU; in others one may sit across parts of several FMUs. Consequently, it is necessary to transition through this report from FMU-scale to districts (and the region) when considering the potential economic impacts of policy options.

This chapter begins with a brief overview of Taranaki's six FMUs using data from the StatsNZ 2018 Census of Population and Dwellings (the latest Census available at the time of writing). The following sections present a series of maps that shows estimates of land use patterns by each FMU. The 2018 Census data is discussed in more depth in the next chapter as the reader's attention is turned towards the region's three districts: New Plymouth District, Stratford District, and South Taranaki District. There it is shown how the FMUs and districts intersect with each other. As well, 'Urban-Rural Geographies' (a smaller StatsNZ-defined spatial unit that focuses on local communities) are introduced.

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<sup>37</sup> The NPSFM (2020) requires freshwater quality and quantify accounting systems for every FMU to provide the baseline information needed: (a) to set target attribute states, environmental flows and levels, and limits; (b) to assess whether an FMU is, or is expected to be, over-allocated; and (c) to track over time the cumulative effects of activities (such as increases in discharges and changes in land use).

<sup>38</sup> <https://experience.arcgis.com/experience/38add486270843fa98267e9c07a86b7a> Detailed descriptions of the FMUs can be found at: <https://storymaps.arcgis.com/stories/48dd732bd4414ff1ab9b559dd3c51526>

### 3.1 Overview

Taranaki's FMUs generally fall into two main types: those largely formed by shorter coastal catchments and those that include longer catchments with headwaters further inland. Non-developed land within all the FMUs tends to be at higher altitude, located at the source of surface water catchments.

The Patea, Waitara, Southern Hill Country, and Northern Hill Country FMUs fall into the second type (i.e., include longer catchments with headwaters further inland). Patea and Waitara FMUs back on to each other and are similar but are south and north-draining respectively. The Patea Catchment cleaves the Southern Hill Country FMU, which is the largest in the region. The Patea FMU, Waitara FMU, and Southern Hill Country FMU tend to have similar land use patterns, with developed land in the west and non-developed land to the east. Waitara FMU and Southern Hill Country FMU both have the highest proportion of Māori in their total population (31% and 26% respectively). As their names suggest, the Southern Hill Country FMU and the Northern Hill Country FMU are dominated by similar landforms. The Northern Hill Country FMU is the least populous FMU.

The Southern Hill Country FMU is followed in size by the Volcanic Ring Plain, which is one of the first type of FMU (i.e., largely formed by shorter coastal catchments), along with the Coastal Terraces FMU. The Volcanic Ring Plain contains the city of New Plymouth and is the most populated FMU (roughly 7 times more people than the Waitara FMU, which is 2nd most populous). With 67 per cent of the region's population, the Volcanic Ring Plain more closely reflects demographic statistics for the region than any other FMU. The Coastal Terraces FMU uniquely occurs in the north and the south of the region.

In 2018, between 22 and 24 per cent of the total population of each FMU was aged between 20 and 39 years of age – except for the Northern Hill Country where it is 17 per cent. Two FMUs have seen large shifts in the age structure of their population towards people aged 65+ years since at least 2006. In the Northern Hill Country, the increase was 38 per cent from 2006 to 2013 and another 18 per cent from 2013 to 2018. In the Coastal Terraces, the increase in people aged 65+ years was 23 per cent from 2006 to 2013 and then 29 per cent from 2013 to 2018. Patea FMU, however, had the highest proportion of people in this age bracket in 2018 with 19 per cent (Waitara and Southern Hill Country FMUs had the lowest with 16%).

A summary of the most recent metrics (either 2018 or the change from 2013-2018) for the six FMUs are presented in Table 3 and three metrics from the Table are used in Figures 2 to 4 (below the table) to highlight some of the variability between the FMUs: highest formal qualifications, total personal income, and income sources.

In general, Taranaki has a largely practical workforce but there are marked differences in education, skills, and experience between FMUs. One indicator of education and skills is a person's formal qualifications (Figure 2). Roughly half of all people in Taranaki aged 15 years or over have at least a secondary school qualification (or equivalent), with the rate being slightly higher in the Northern Hill Country FMU (53%). Rates of people with no qualification vary by 10 per cent between the FMUs (22% in the Volcanic Ring Plain FMU to 32% in the Waitara FMU). Conversely, rates of people with tertiary qualifications vary by 12 per cent (17% in the Waitara FMU to 29% in the Volcanic Ring Plain FMU).

Table 3: Summary of key metrics by FMU in Taranaki

Metric (all for 2018 unless otherwise stated)	Northern Hill Country	Southern Hill Country	Patea	Coastal Terraces	Waitara	Volcanic Ring Plain
Total area (% of region)	82,000 ha (11%)	207,500 ha (29%)	105,000 ha (14%)	21,500 ha (3%)	114,500 ha (16%)	194,500 ha (27%)
Total population (% of region)	1,506 (1%)	7,844 (7%)	8,779 (7%)	9,548 (8%)	11,325 (10%)	78,559 (67%)
Total population: change 2013-2018	+3.7%	+6.1%	+5.2%	+9.1%	+7.5%	+7.5%
Māori population (% of total population)	305 (20%)	2,019 (26%)	1,645 (19%)	2,193 (23%)	3,551 (31%)	13,562 (17%)
Māori population: change 2013-2018	+21.6%	+28.3%	+27.4%	+26.1%	+24.7%	+29.2%
Share of total population: people aged 20 to 39 years	17%	24%	22%	24%	22%	23%
Share of total population: people aged 65+ years	18%	16%	19%	17%	16%	18%
Total population: change in people aged 65+ years 2013-2018	+18.2%	+9.9%	+13.1%	+28.9%	+12.1%	+13.5%
People who have lived at their residence for over 15 years	20%	15%	16%	13%	17%	16%
People with no formal qualification*	24%	30%	31%	27%	32%	22%
People with a tertiary qualification*	23%	19%	18%	22%	17%	29%
People with personal income less than \$30,000*	47%	50%	55%	50%	55%	49%
People receiving income from wages & salary*	50%	58%	53%	60%	56%	57%
People receiving income from their business*	33%	16%	17%	12%	15%	16%
People receiving income from investments*	23%	13%	14%	15%	11%	19%
People receiving income from any pension*	22%	21%	24%	23%	22%	23%

Source data: StatsNZ supplied by Market Economics

Note: \* People aged 15 years and over

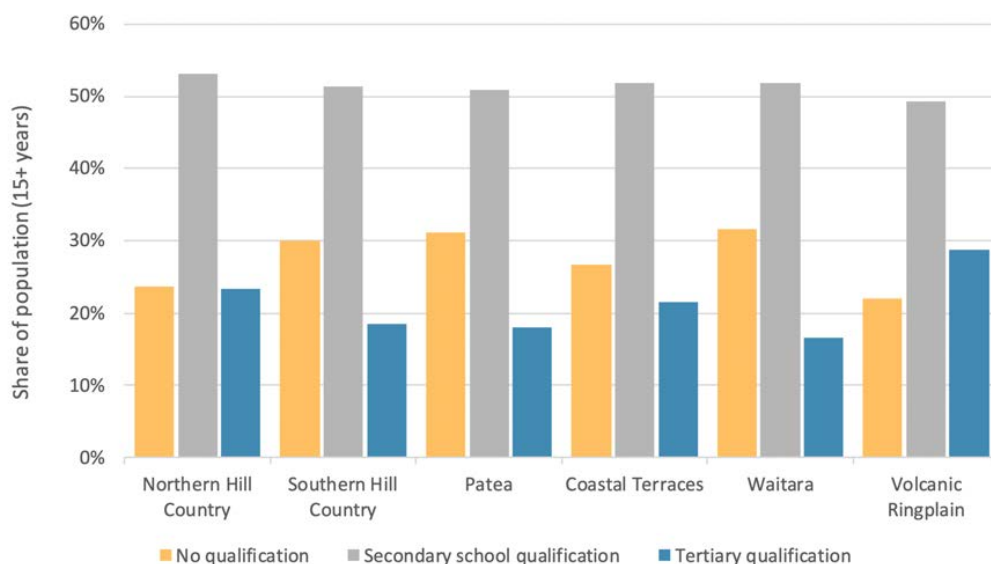


Figure 2: Highest qualification for people aged 15 years and over by FMU in 2018

Source data: StatsNZ supplied by Market Economics

In 2018, median total personal income in Taranaki was just under \$30,000 (15.4% of people earned over \$70,000) (Figure 3). In other words, half of people earned less than \$30,000 and half of people earned more (i.e., a 50:50 ratio). To help put this in perspective, median annual personal income for the year ended June 2018 in New Zealand was \$39,367 (from all regular sources before-tax), and median annual household income was \$83,715.

The income distribution for the region was closely reflected in the Southern Hill Country FMU and the Coastal Terraces FMU. The distribution for the Northern Hill Country FMU leaned slightly towards higher incomes (47:53 or a 6% difference), and towards lower incomes for the Waitara and Patea FMUs (both with 55:45 or a 10% difference). Northern Hill Country had the largest proportion of longer-term residents<sup>39</sup> (20%).

The Northern Hill Country had the largest proportion of people who received income from self-employment or a business they owned and worked in (33%), while the Coastal Terraces FMU had the smallest proportion (12%)—other FMUs were all between 15 and 17 per cent (Figure 4). A higher proportion of people in Patea received superannuation or veteran’s pension as a source of income. Roughly five per cent of respondents across all FMUs stated that they had no source of personal income.

<sup>39</sup> People who have lived in the same residence for over 15 years.

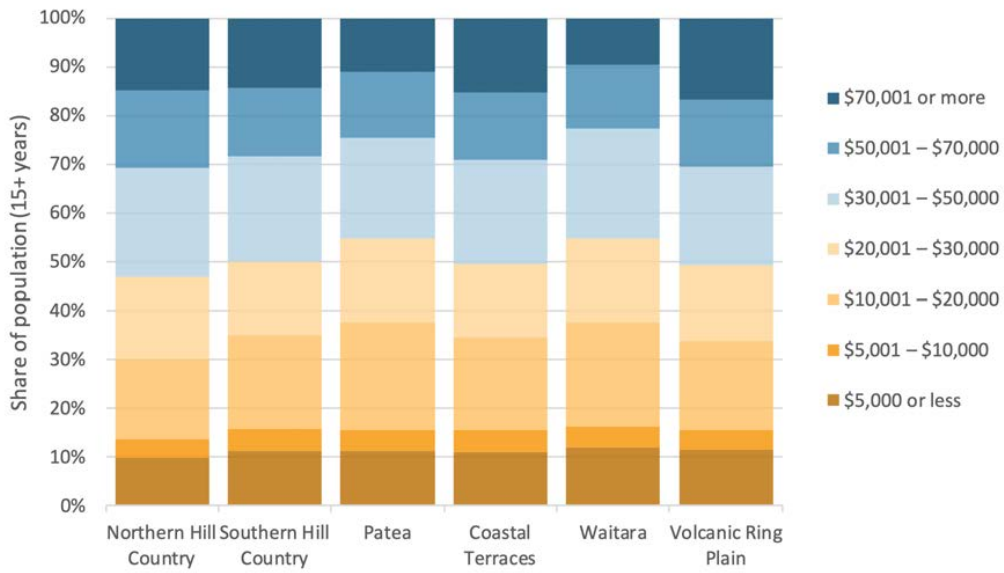


Figure 3: Distribution of total personal income for people aged over 15 years in 2018  
Source data: StatsNZ supplied by Market Economics

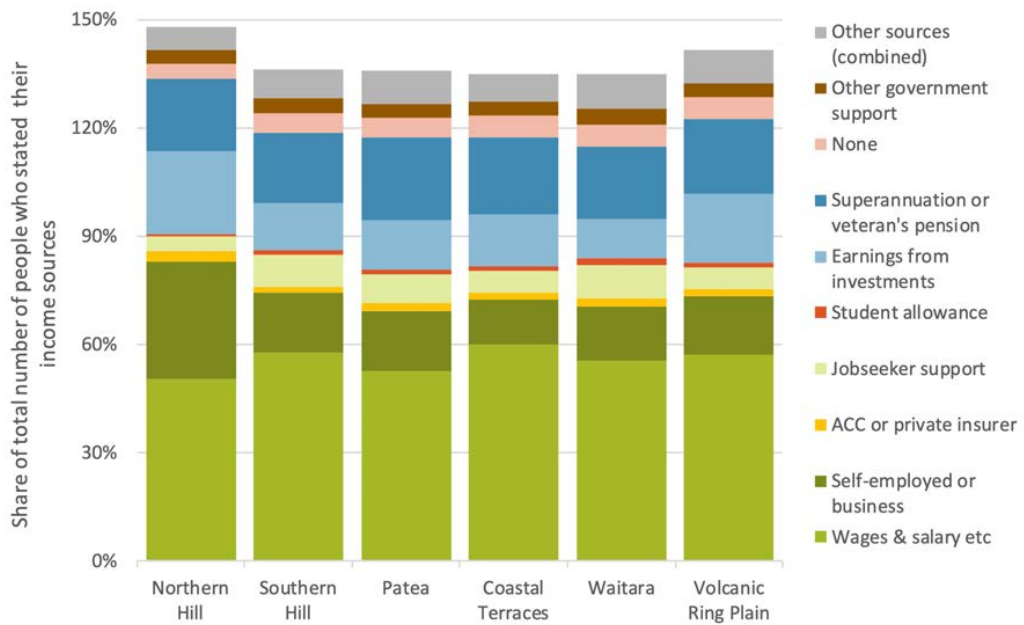


Figure 4: Main sources of personal income for people aged 15+ years in Taranaki in 2018  
Source data: StatsNZ supplied by Market Economics  
Note: As people often stated more than one source of income, each column totals more than 100% of people who responded to this Census question. For example, 50% of people in the Northern Hill Country FMU stated that they received income from wages or salary. Some of these people may have also stated that they received income from government support or earnings from investments (e.g., interest or dividends).



### 3.2 Volcanic Ring Plain FMU

The headwaters of some streams and rivers are on Taranaki Maunga while others originate from springs at lower elevations. The surface water catchments are relatively short, narrow and steep. Water in the cold, fast flowing streams passes through alpine scrub and native forests and/or moves down through dairy farmland to the coast relatively quickly. There are also many small lakes, wetlands and tarns, although there has been considerable drainage of wetland, as well as the diversion and piping of natural watercourses. This FMU includes the rohe of Ngāti Ruanui, Te Atiawa, Taranaki and Ngāruahine iwi. It also contains the city of New Plymouth along with coastal towns such as Ōākura, Ōpunake and part of Hāwera. Image 16 shows an estimate of the patterns of land use within the FMU.

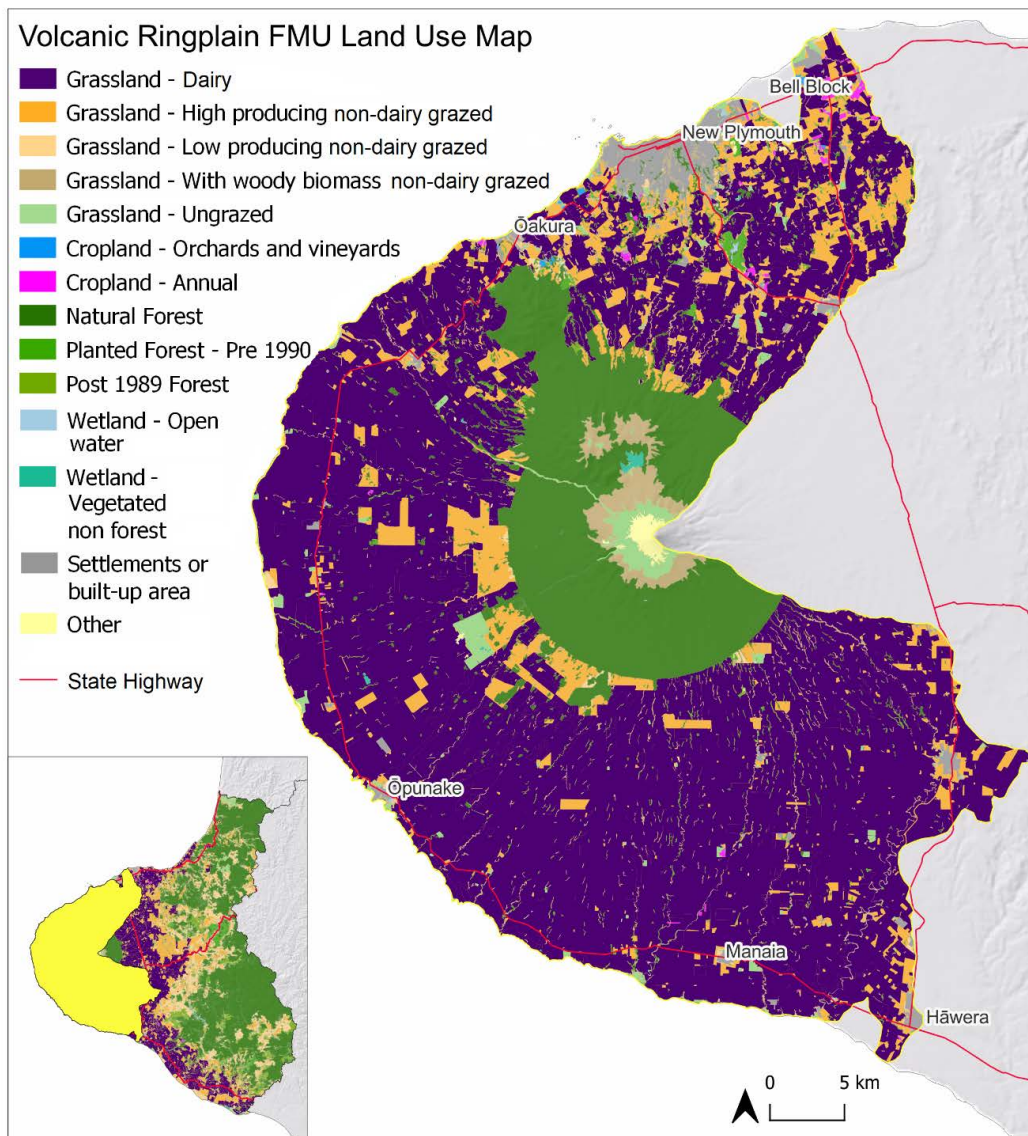


Image 16: Estimated land uses in the Volcanic Ring Plain FMU (2016)

### 3.3 Coastal Terrace FMU

This FMU consists of small spring fed catchments that drain directly to the coast, rather than into larger rivers. Notably, there is no indigenous forest in the headwaters. In the north, two terraces and five smaller areas contain one to two streams each. In the south, five terrace areas contain prominent coastal dune lakes that are unique to the North Island's west coast and rare globally. The FMU has unique wetlands that support threatened species. It includes the rohe of Ngāti Tama, Ngāti Mutunga, Ngāti Ruanui, Te Atiawa, Ngāruahine and Ngaa Rauru iwi. Most land is used for intensive dairy farming and there is a large industrial area in the north, Bell Block.

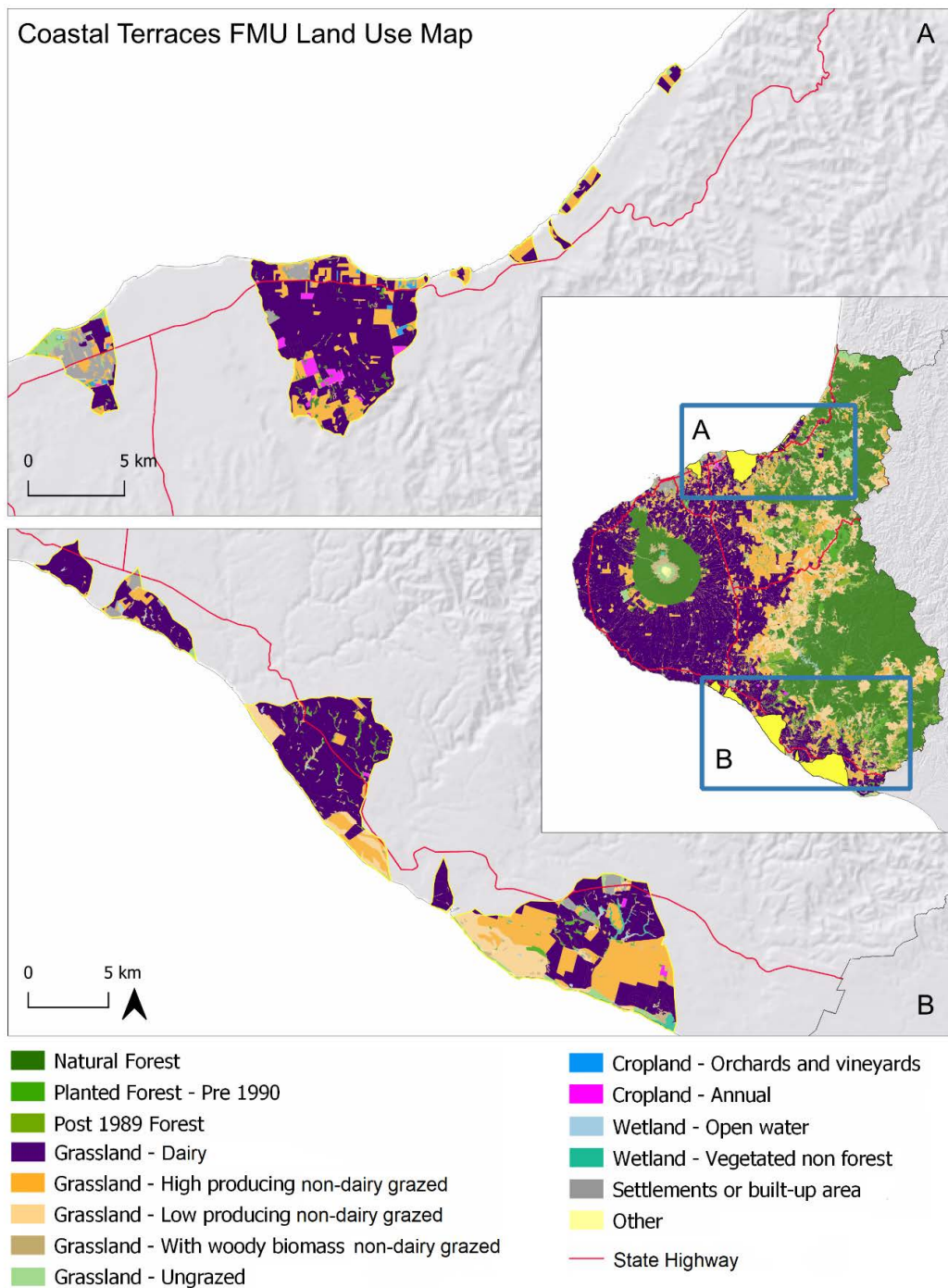


Image 17: Estimated land uses in the Coastal Terrace FMU (2016)

### 3.4 Northern Hill Country FMU

Tidal river estuaries connect rivers to the coast in this FMU with the Tongaporutu Estuary being the second largest in the region. Important freshwater wetlands are present, particularly the Mōhakatino wetland, important for its biodiversity. The FMU stretches from the Onaero River catchment in the west, northeast to Mōhakatino and inland to the boundary of the Waitara River catchment. Much of this landscape is covered in native forest, combined with a mixture of dry stock farming and exotic forestry. A complex network of streams and rivers wind their way through steep hill country. Urenui is the largest settlement in the Northern Hill Country FMU, and its population of around 500 people grows considerably during the summer holiday months. The FMU includes the rohe of Ngāti Tama, Ngāti Mutunga, Te Atiawa and Ngāti Maniapoto iwi.

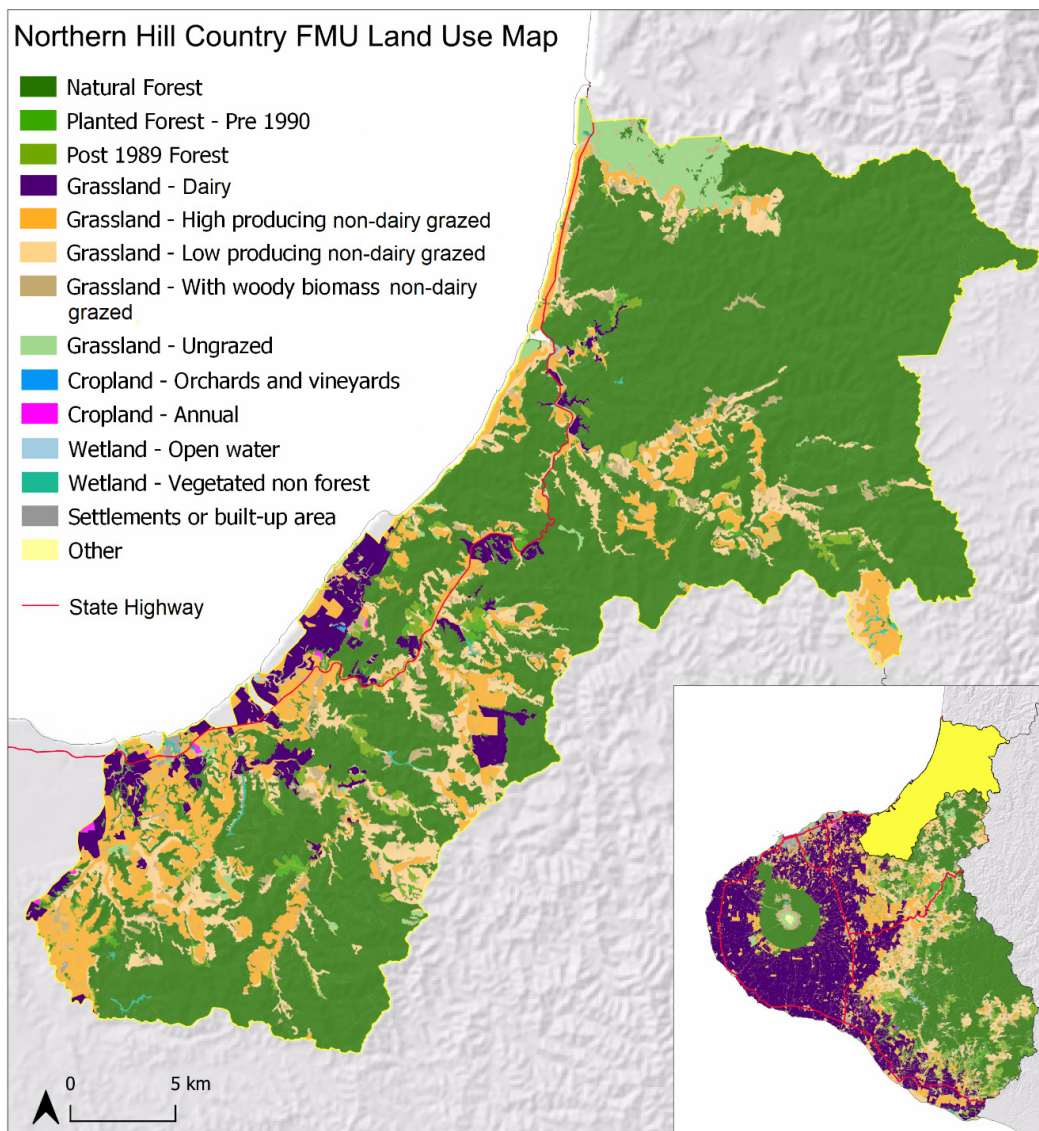


Image 18: Estimated land uses in the Northern Hill Country FMU (2016)

### 3.5 Waitara FMU

This diverse FMU consists of the entire Waitara River catchment, which drains Taranaki Maunga and the ring plain in the west, and the Eastern Hill Country, with a stark contrast in land use patterns. Two sub-catchments converge nine kilometres from the coast, before flowing through the Waitara township where it meets the Tasman Sea. The FMU is about one third mountain and two thirds hill country and captures a range of wetland habitats, including saltmarshes and swamp forests, and Lake Ratapiko. The Waitara FMU includes the rohe of Ngāti Tama, Ngāti Mutunga, Ngāti Ruanui, Te Atiawa, Taranaki, Ngāruahine and Ngāti Maru iwi.

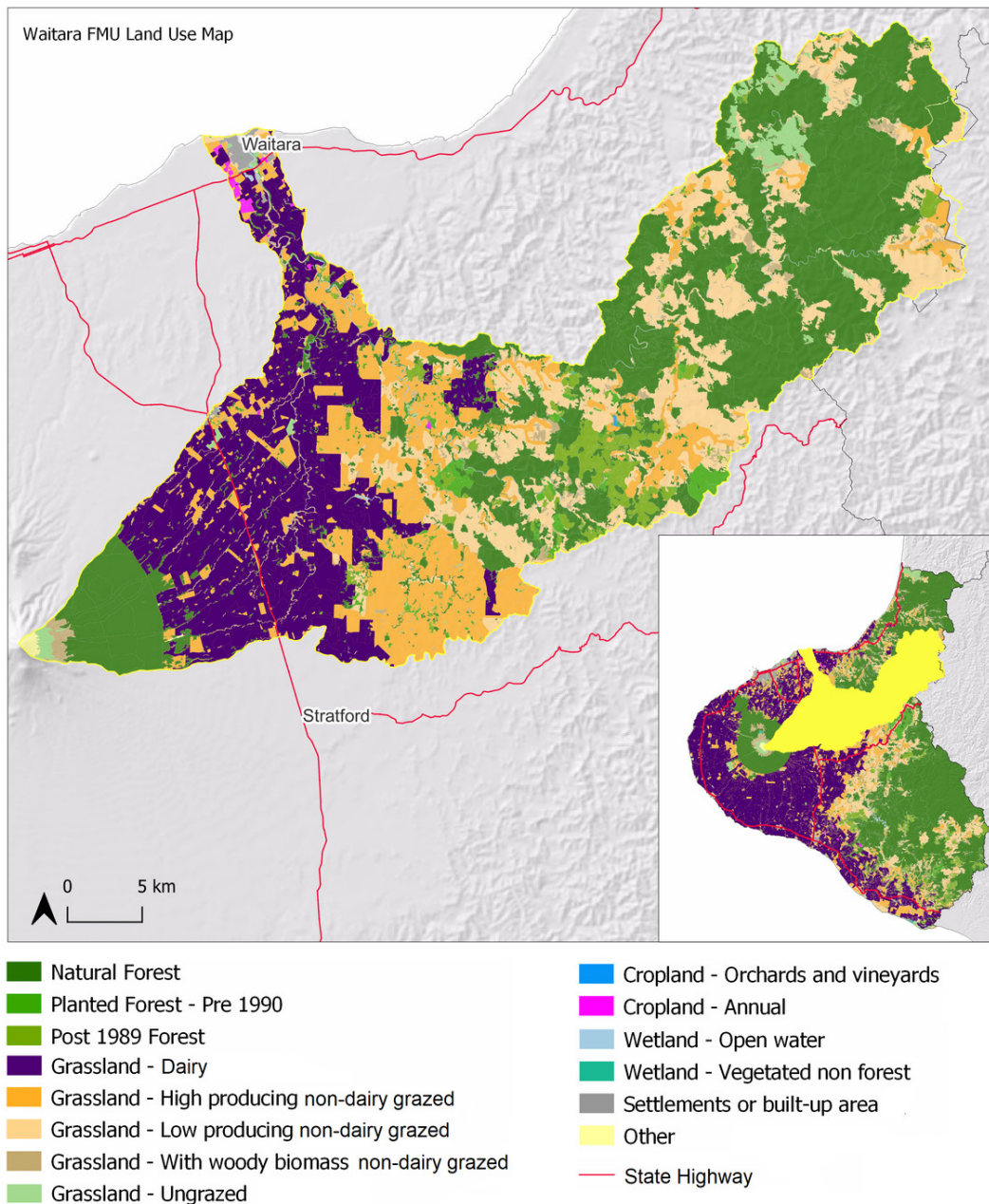


Image 19: Estimated land uses in the Waitara FMU (2016)

### 3.6 Patea FMU

This diverse FMU incorporates the entire Patea River catchment. The river drains from Taranaki Maunga and the ring plain and flows swiftly through Stratford before being joined by tributaries fed from the Eastern Hill Country. It then flows south through Lake Rotorangi (an artificial lake used for hydro-electric power generation) to the Tasman Sea at Patea township. The FMU is about one third mountain terrain and two thirds hill country and covers a variety of wetland types and saltmarshes. This FMU includes the rohe of Ngāti Ruanui, Te Atiawa, Ngāruahine, Ngāti Maru and Ngāa Rauru iwi.

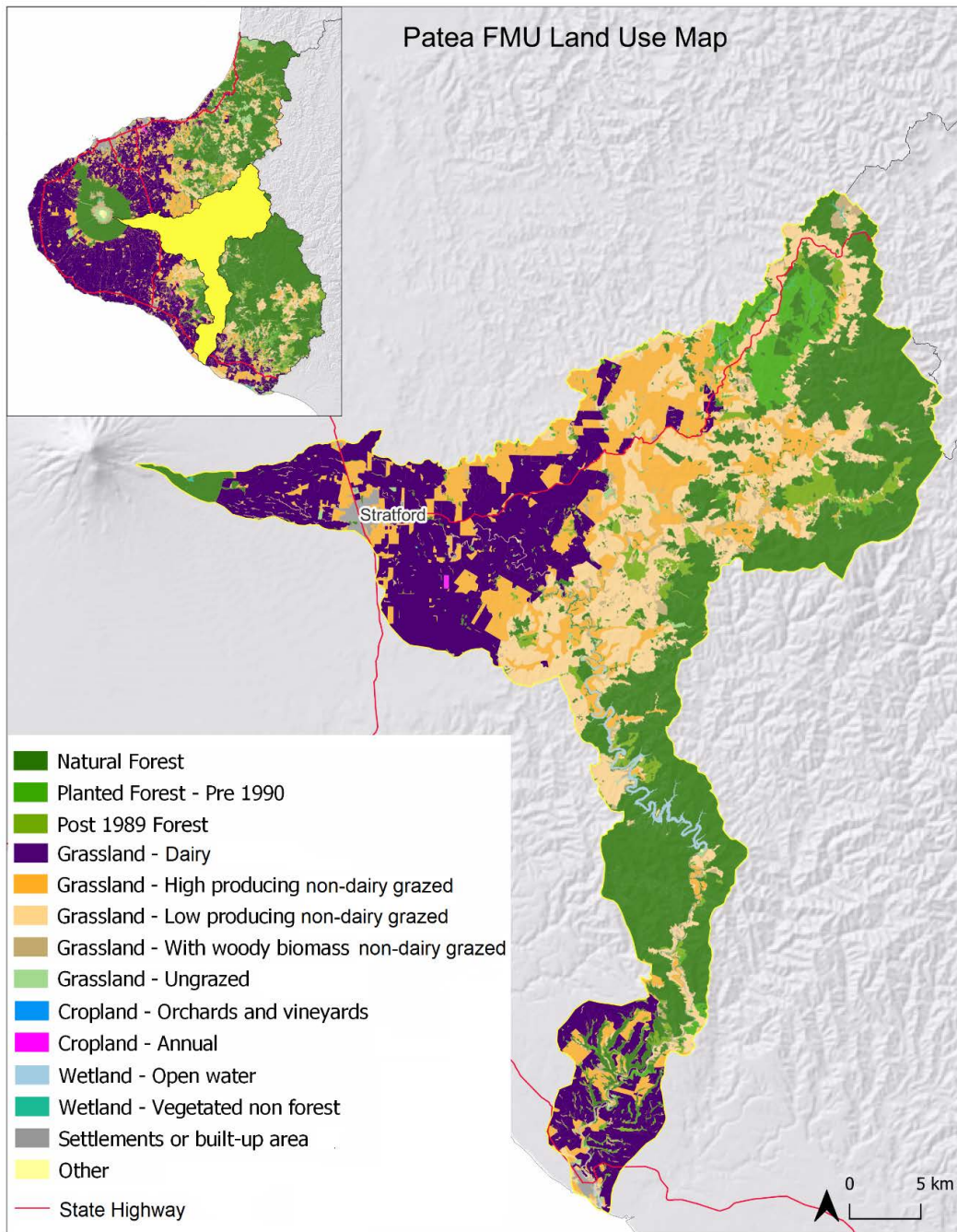


Image 20: Estimated land uses in the Patea FMU (2016)

### 3.7 Southern Hill Country FMU

This FMU covers most of the southeast of the region, split into west and east sections by the Pātea FMU. In the east it is heavily forested hill country giving way to cleared valleys toward the coast. The west contains small slow-flowing streams that drain relatively flat country predominantly used for dairy farming. It also contains part of Hāwera. The FMU contains most of Taranaki’s lacustrine (lake-like) wetlands, which provide critical habitat for threatened wetland birds, and important estuaries. This FMU includes the rohe of Ngāti Ruanui, Ngāruahine, Ngāti Maru and Ngāa Rauru iwi.

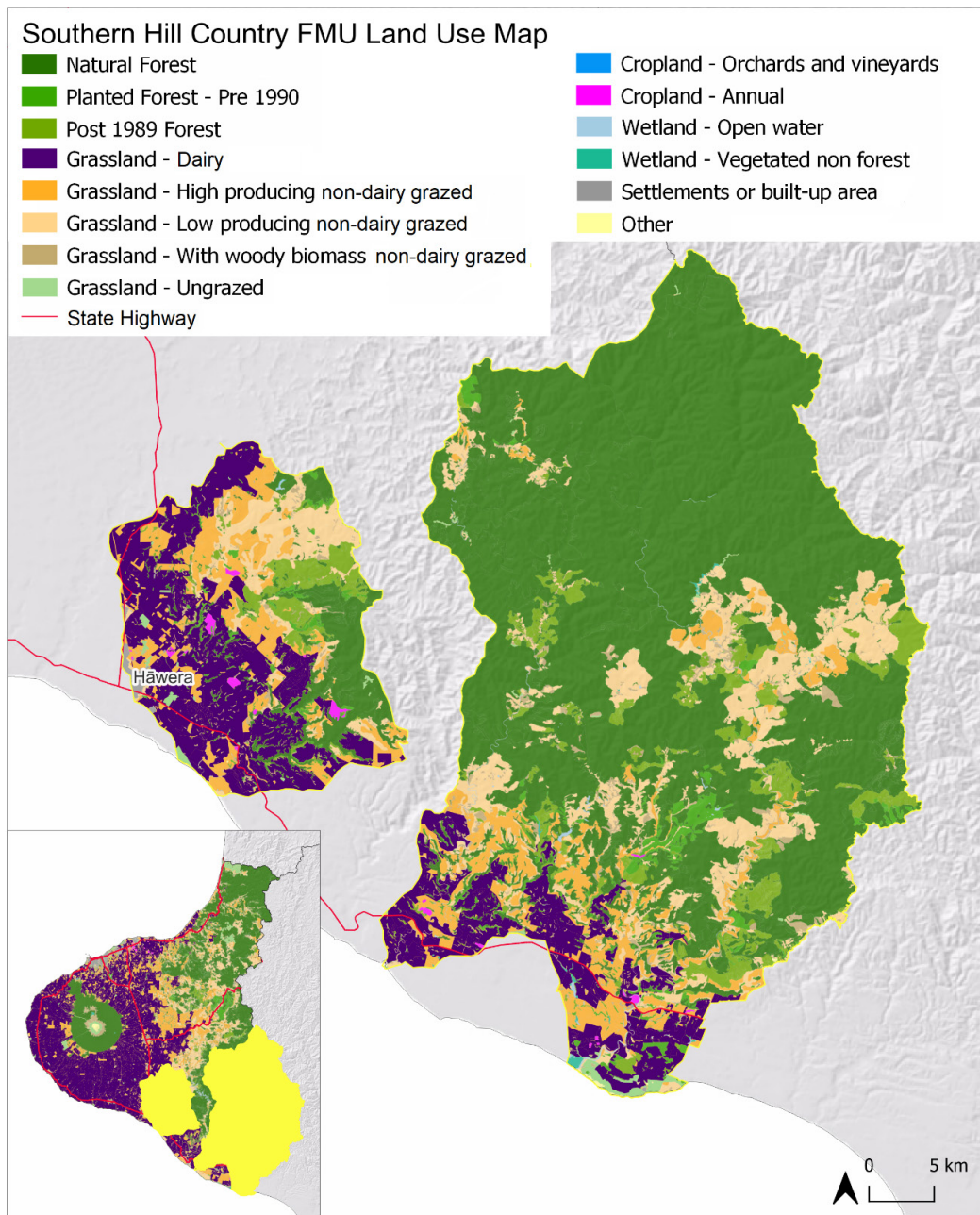


Image 21: Estimated land uses in the Southern Hill Country FMU (2016)

## 4 Taranaki's Districts

As noted previously, policy options for the proposed Natural Resources Regional Plan will apply to two spatial scales: either specific to a FMU or broadly across the region. Yet the impacts of these options for the economy will likely play out at a district scale. Each district in Taranaki has a local economy and together they form the regional economy through their complex network of connections. This chapter moves from the FMU-scale in Chapter 3 to present demographic information and land use patterns at this district-scale. A policy option's direct impacts will depend on the option's relevance to the patterns of economic activities. While direct impacts occur within the specific area that policy is applied (whether FMU or region), in some cases these impacts may flow beyond its borders. All three districts contain unique mixes of at least four FMUs, as well as part of the Volcanic Ring Plain FMU.

Tables 4 and 5 give the mix of districts within each FMU and vice versa (absolute areas are not reported in Table 5 because they are the same as in Table 4). Figure 5 is a visual representation of Table 5. The shading in the two tables is a visual indication of relative importance. More of the Volcanic Ring Plain is in South Taranaki District than New Plymouth District (Table 4). Also, the New Plymouth District is shared fairly evenly across three FMUs (Table 5). While area is a useful starting point, the relevance of an FMU to a district will also depend on the patterns of activities and land uses within each share. For example, the eight per cent of the Southern Hill Country FMU in the Stratford District is entirely natural forest. Estimated land use patterns for the three districts are presented in Sections 4.2 to 4.4.



*Image 22: Rural land uses in the hard hill country in the New Plymouth District  
Photo credit: Sarah Coogan*

Table 4: Area and proportion of FMU within each District

FMU	New Plymouth District	Stratford District	South Taranaki District
Volcanic Ring Plain	63,525 ha (33%)	13,743 ha (7%)	117,481 ha (60%)
Coastal Terrace	7,024 ha (33%)	-	14,424 ha (67%)
Northern Hill Country	81,426 ha (99%)	641 ha (1%)	-
Waitara	68,455 ha (60%)	46,151 ha (40%)	-
Patea	-	71,214 ha (68%)	33,928 ha (32%)
Southern Hill Country	-	15,902 ha (8%)	191,482 ha (92%)

Source data: Taranaki Regional Council

Table 5: Proportion of District within each FMU

District	Volcanic Ring Plain FMU	Coastal Terrace FMU	Northern Hill Country FMU	Waitara FMU	Patea FMU	Southern Hill Country FMU
New Plymouth	29%	3%	37%	31%	-	-
Stratford	9%	-	0	31%	48%	11%
South Taranaki	33%	4%	-	-	9%	54%

Source data: Taranaki Regional Council

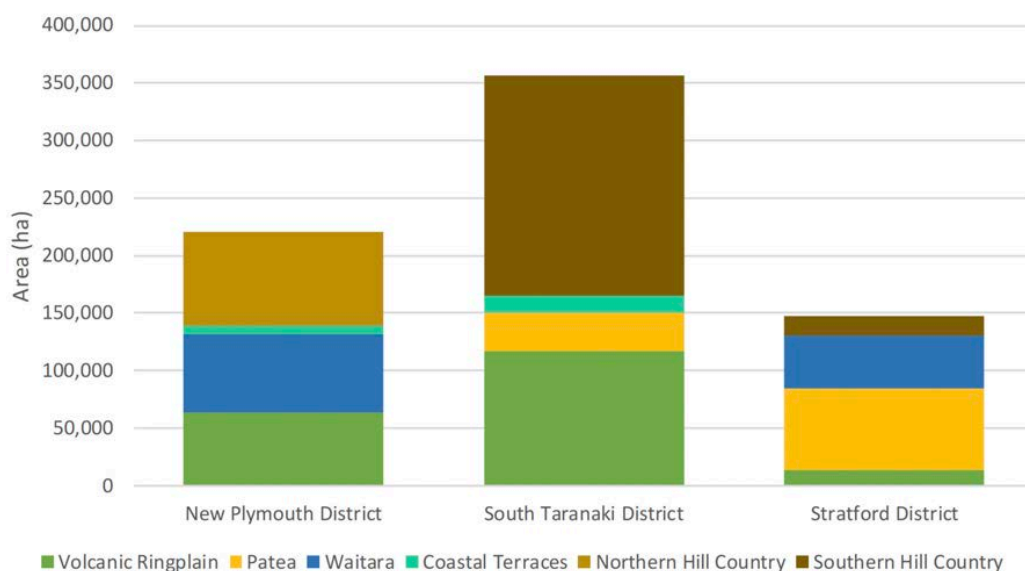


Figure 5: Distribution of FMUs within each district

Source data: Taranaki Regional Council



The final spatial scale used in this report is the StatsNZ ‘urban-rural geographies’<sup>40</sup>. In this classification, StatsNZ identified urban areas<sup>41</sup> and rural settlements<sup>42</sup> via information such as aerial imagery, local government land designations on district plan maps, address registers, and property title data<sup>43</sup>. However, they do not specifically identify all communities (e.g., Rahotu is included as part of rural South Taranaki). Taranaki’s urban-rural geographies are used later in this chapter to look at the variation and connections both within and between districts. New Plymouth is classified as a large urban area (30,000 to 99,999 residents) and the rest of the region consists of small urban areas (population of 1,000 to 9,999 residents), rural settlements, and other rural areas.

In the 2018 Census, Taranaki’s total population was around 117,700 (2.5% of New Zealand), and just over 23,000 were Māori. Roughly 73 per cent of people lived in either ‘large’ or ‘small’ urban areas, many of which are located along State Highway 3 (one of New Zealand’s 8 national highways)<sup>44</sup>. Conversely, 27 per cent of people live in ‘rural settlements’ or ‘other rural’ areas. This division represents a shift since the mid-20th Century. As late as 1951 the total population of Taranaki was almost equally divided between urban and rural areas (McLintock, 1966). However, there is considerable variability in urban-rural patterns between Taranaki’s three districts (Table 6 and Figure 6)<sup>45</sup>.

In New Plymouth District 82 per cent of people were living in urban areas, which is similar to New Zealand as a whole (84% in 2020—a share that has not changed markedly since the 1970s). By contrast, the urban population in Stratford District is 61 per cent, and 50 per cent in South Taranaki District, which means it has the largest share of people living in rural settlements. While the number of people living rurally has increased markedly in New Plymouth District since 2006 (28%) it equates to a one per cent growth in share of people living rurally because overall population growth was more focused on urban areas. In Stratford and South Taranaki Districts the share of people living rurally declined by one and two per cent respectively since 2006.

Table 6: Distribution of People Living in Urban and Rural Area in Taranaki in 2018

District	Large urban areas	Medium urban areas	Small urban areas	Rural settlements	Other rural areas	Change in number of people living rurally from 2006
New Plymouth	53,964 (67%)	-	12,015 (15%)	1,827 (2%)	12,870 (16%)	3,159 (+28%)
Stratford	-	-	5,781 (61%)	252 (3%)	3,447 (36%)	147 (+4%)
South Taranaki	-	-	14,319 (52%)	3,513 (13%)	9,708 (35%)	-66 (0%)

Source data: StatsNZ supplied by Market Economics

40 <https://storymaps.arcgis.com/stories/f98ae8750e8d4690a48ed3e827b1efdc>

41 Urban areas are independent of local government and other administrative boundaries. They generally have an estimated resident population of more than 1,000 people and a population density of more than 400 residents or 200 address points per square kilometre. They have a high coverage of built physical structures and artificial landscapes such as: residential dwellings and apartments; commercial buildings; medical, education, community and recreation facilities; service facilities such as airports, bus networks, waste disposal and sewerage facilities, and cemeteries.

42 A rural settlement is a cluster of residential dwellings which contains at least one community or public building, such as a church, school, or shop. They have an estimated resident population of 200–999, or at least 40 residential dwellings, and represent a reasonably compact area with a population density of at least 200 residents or 100 address points per square kilometre.

43 StatNZ’s underlying meshblock pattern is used to define the geographies, so boundaries may not align exactly with local government land designations or what can be seen in aerial images.

44 There are two other state highways in the region: State Highway 45, which is a coastal route from New Plymouth to Hawera, and State Highway 43 that runs from Stratford eastwards to Taumarunui (leaving the region at Whangamomona Saddle).

45 These patterns are similar to those that occur in Southland (i.e., between Southland District, Invercargill District, and Gore District).

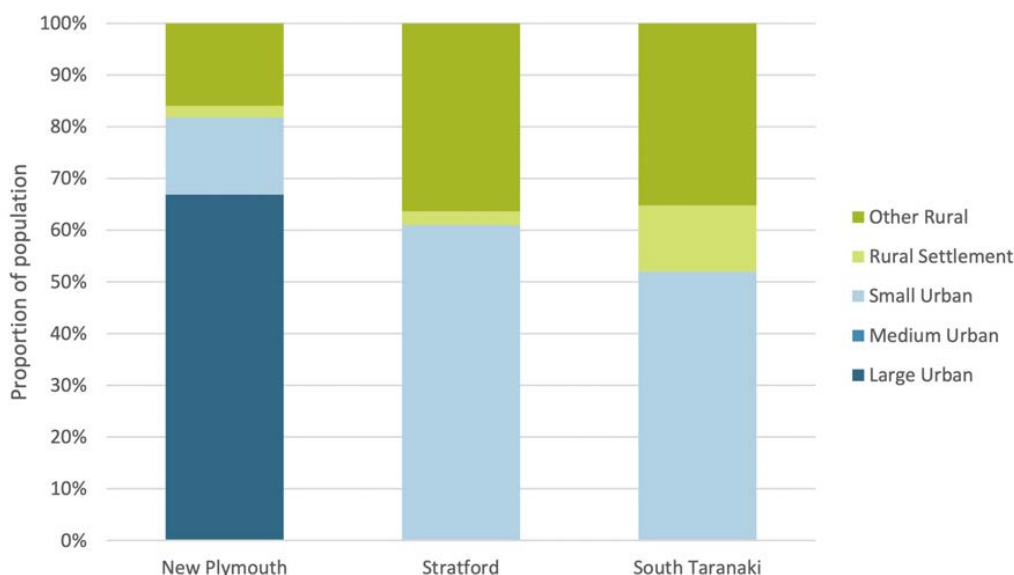


Figure 6: Urban-Rural population distribution by district in Taranaki in 2018  
Source data: StatsNZ supplied by Market Economics

## 4.1 Population, Age, and Education

### 4.1.1 Population and Age Structure

Since the 1990s, Taranaki’s total population has grown steadily<sup>46</sup>. The total number of people living in Taranaki in 1996 was 109,000 and is estimated to have increased by 17 per cent to 128,000 people in 2023 (2.45% of the population in New Zealand). This trend is projected to continue, with the population growing to around 138,000 by 2048. When the projection is put together with shift that has already occurred, it equates to a growth of almost 27 per cent over 52 years. However, the distribution between districts is uneven with most population growth continuing to largely occur in the New Plymouth District (more detail is given in the following sections) (Figure 7). The continuing expansion of urban areas may increase pressure on water services within the New Plymouth FMU in the future (refer to Section 4.6).

Alongside changes in total population, the age structure of the population is shifting over time. In 1996 the median age (or mid-point) of people living in the region was 33.6 years and it is estimated to have increased to 40.6 years in 2023. In other words, half of population were younger than this age and half were older. This trend is projected to continue, with the median age rising to roughly 46 years by 2048 (Figure 8). When the projection is put together with shift that has already occurred, it potentially represents a 38 per cent increase in the median age over 52 years. An aging population can pose ongoing challenges for an economy as the share of people able to work declines and the share of those who may need support grows.

<sup>46</sup> A striking feature of the region’s development during much of 20th Century was that since 1911 Taranaki had been a region of outward migration (McLintock, 1963). This circumstance was attributed in large part to a consistently high rate of natural increase and the overwhelmingly pastoral nature of the economy (in the 1960s almost 30% of the labour force was engaged in the primary sector).

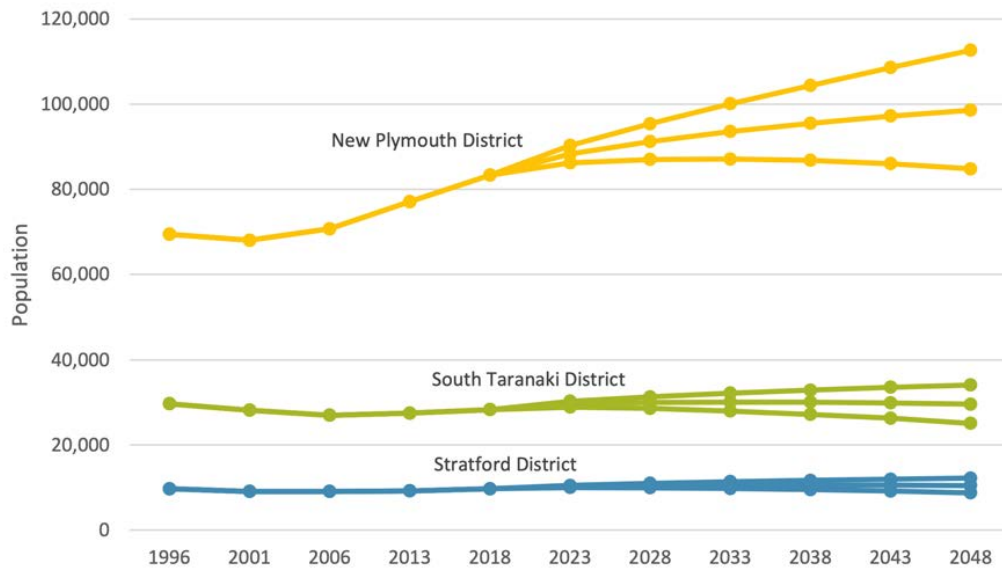


Figure 7: Population trends for three districts in Taranaki

Source data: StatsNZ subnational population projections 2018 base to 2048

Note: Data from 1996 to 2018 are StatsNZ Census data and beyond 2018 the data are low, medium, and high projections.

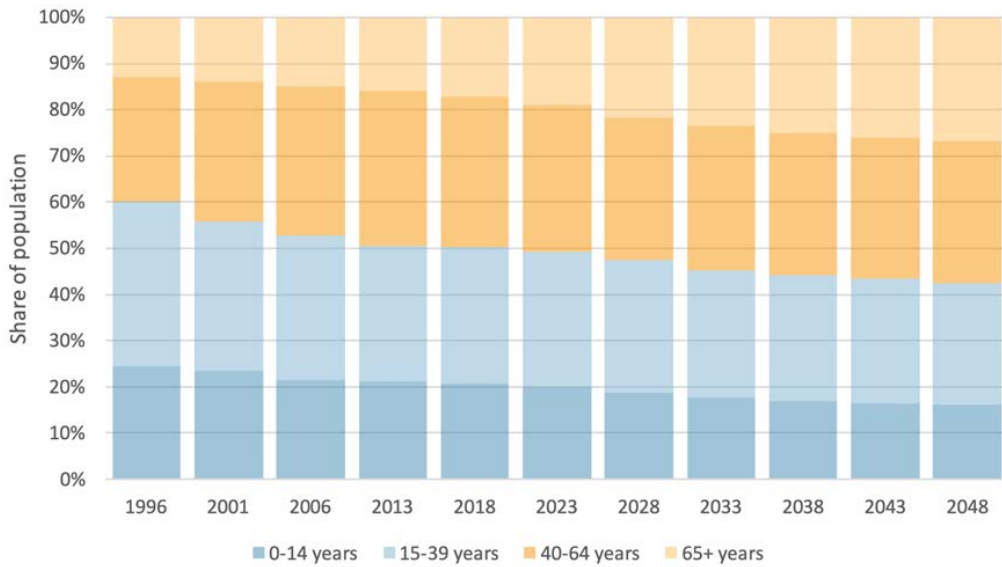


Figure 8: Actual and projected changes in the age structure of Taranaki's usual resident population

Source data: StatsNZ subnational population projections 2018 base to 2048 supplied by Market Economics

#### 4.1.2 Education and Personal Income

Just as there were marked differences in qualifications between FMUs, the variation between the urban-rural geographies (i.e., local communities) across the region is considerable (Figure 9). The patterns are partly reflected in the variation in personal income between urban-rural geographies (discussed below). In other words, in some cases there is a clear correlation between qualifications and income (e.g., Oakura, Eltham, Patea, Waitara) and in other cases it is less evident (e.g., Ohawe, Kaponga, Hawera). Those communities with lower education levels may be relatively more at risk than others from any employment impacts of policy options for the proposed Regional Land and Freshwater Plan.

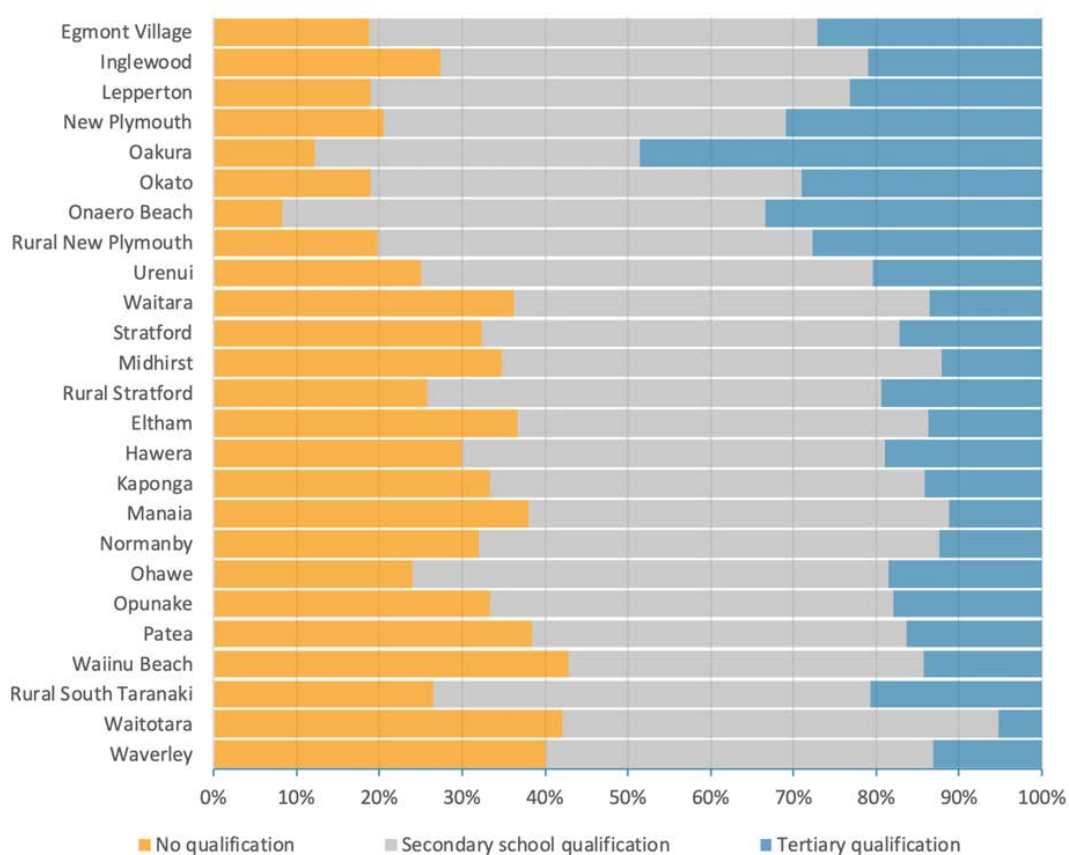


Figure 9: Distribution of Highest Qualification for people aged 15 years and over by Urban-Rural Geography in 2018  
 Source data: StatsNZ Census of Population and Dwellings 2018 (supplied by Market Economics)

As noted in Chapter 3, median total personal income in Taranaki at the 2018 Census was just under \$30,000 per year. While income distribution is fairly consistent between districts, there is considerable variability at a sub-district scale. Table 7 and Figure 10 present total personal income (grouped) for usually resident population aged 15 years and over in each district. Figure 11 presents the same type of information by urban-rural geographies across the region. The results highlight the importance of scale when thinking about the possible impacts of policy options. A change may not register impacts at a district or regional scale can be keenly felt within a local community. Household size and income is also relevant, particularly when considering regional and district rates affordability. Although it is not reported here, information on household income is included in the database.

Table 7: Distribution of Total Personal Income by District in Taranaki in 2018

District	\$5,000 or less	\$5,001- \$10,000	\$10,001- \$20,000	\$20,001- \$30,000	\$30,001- \$50,000	\$50,001- \$70,000	\$70,000+
New Plymouth	11%	4%	19%	16%	21%	14%	16%
Stratford	11%	4%	20%	16%	21%	14%	12%
South Taranaki	12%	4%	20%	15%	21%	14%	13%

Source data (Table 7 and Figures 11 & 12): StatsNZ Census of Population and Dwellings 2018 (supplied by Market Economics)

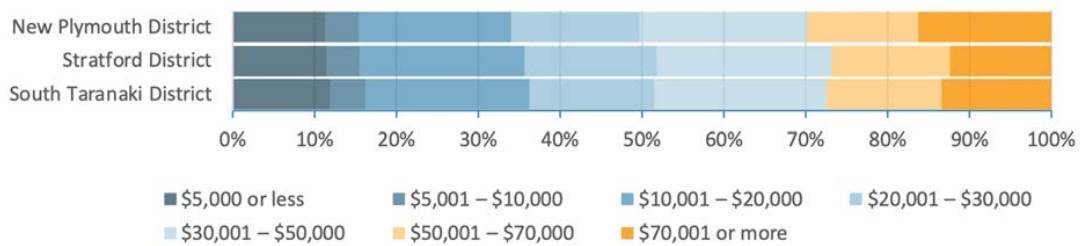


Figure 10: Distribution of Total Personal Income by district in Taranaki in 2018

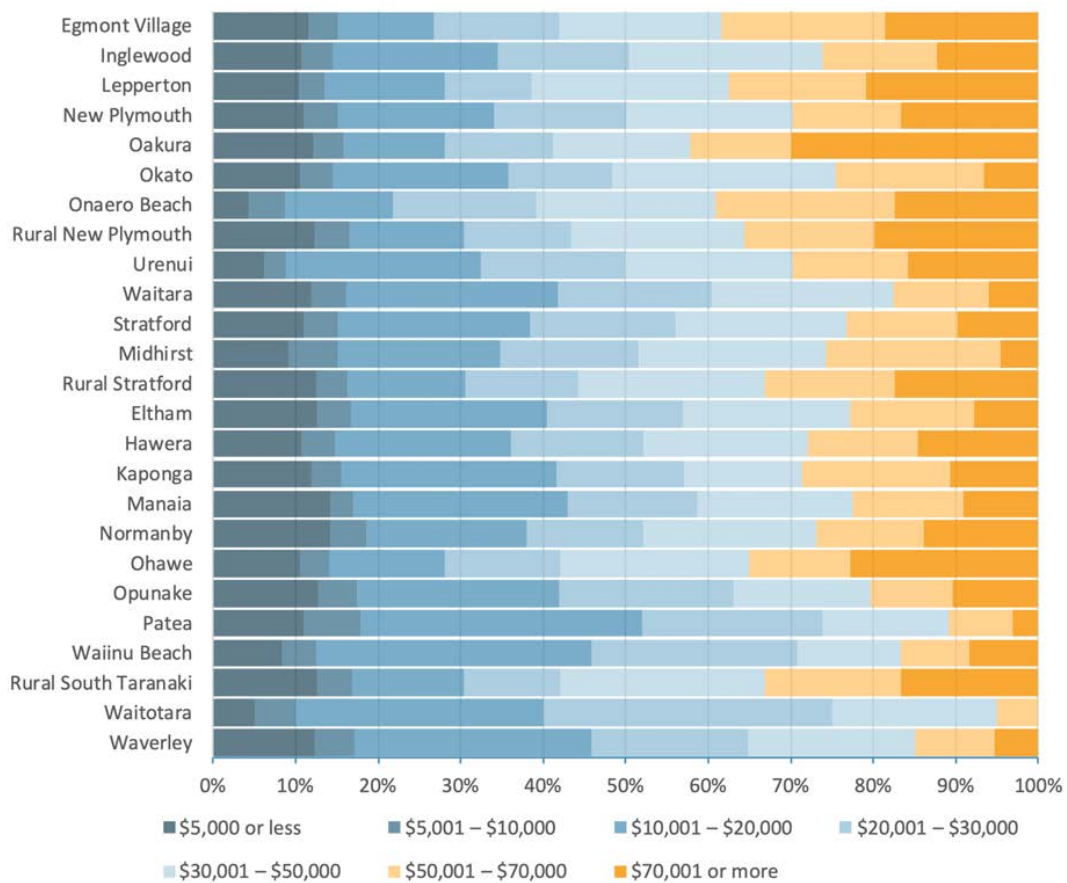


Figure 11: Distribution of Total Personal Income by Urban-Rural Geography in Taranaki in 2018

## 4.2 New Plymouth District

New Plymouth District is by far the most populous of the three districts in Taranaki and also has the largest urban area by far, stretching along the coast from Ōakura and New Plymouth City (in the west) to Waitara township and the settlements of Motunui, Onaero and Urenui (to the east). In 2018 it had a total population of 80,676 (68.5% of those in the region), which was an increase of 17 per cent from 2006 (the largest of the three districts). Residents of New Plymouth District live across 220,407 hectares (30% of the region’s land area) – or roughly 36.6 people per km<sup>2</sup>. This population density is for the whole district, and not adjusted to exclude 93,832 hectares that is (presumably) uninhabited natural forest (46% of the district’s total area).

Between 2013 and 2018, the proportion of people aged 65 years or over increased across the New Plymouth District by 16.5 per cent, which was the most change across the region. In 2018, Māori made up roughly 18 per cent of the district’s total population. Table 8 gives key demographic metrics for StatsNZ’s urban-rural geographies within the New Plymouth District and Image 23 presents an indicative estimate of land use patterns.

Table 8: Key metrics for Urban-Rural Geographies in the New Plymouth District in 2018

Urban-rural geography	Total pop 2018	Change in total pop from 2013	Change in the proportion of people aged 65+ years 2013 to 2018	Māori pop 2018
Egmont Village	327	+17.2%	+71.4%	24
Inglewood	3,546	+9.5%	+9.5%	504
Lepperton	405	+25.0%	+75.0%	63
New Plymouth	53,964	+8.3%	+15.8%	8,766
Oakura	1,539	+7.1%	+29.4%	159
Okato	606	+8.0%	+4.0%	144
Onaero Beach	75	-3.8%	+33.3%	12
Other rural	12,870	+11.8%	+28.2%	1,614
Urenui	414	-4.2%	+22.9%	84
Waitara	6,930	+7.1%	+9.4%	2,994

Source data: StatsNZ Census of Population and Dwellings 2013 and 2018 (supplied by Market Economics)

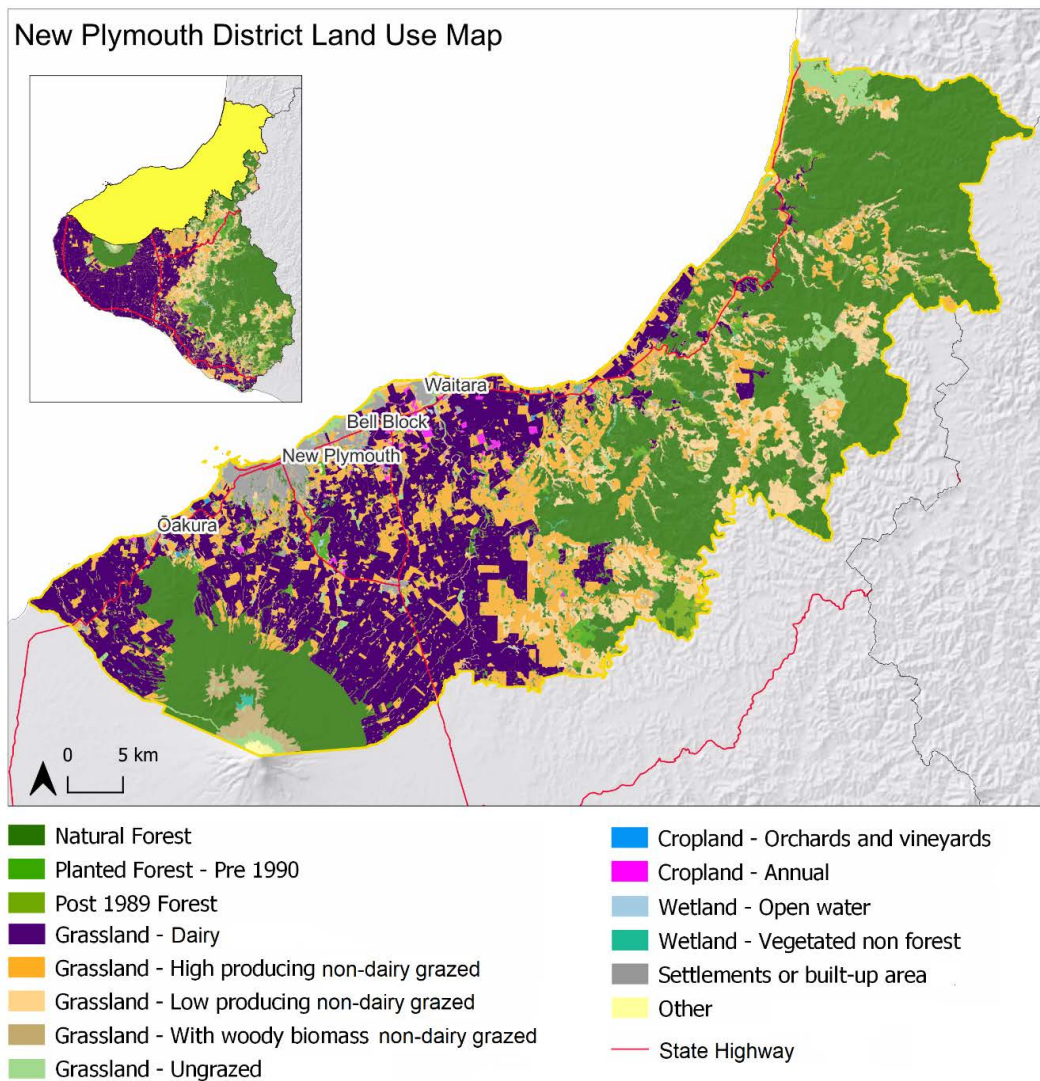


Image 23: Estimated land uses in the New Plymouth District in 2016  
 Source data: Ministry for the Environment – Land-Use and Carbon Analysis System (LUCAS).

### 4.3 Stratford District

Stratford District is the least populous of Taranaki’s three districts in terms of total population and has a more balanced urban/rural character. Unlike the other two districts, which are entirely within Taranaki, roughly 32 per cent of Stratford is located in Manawatū-Whanganui. In 2018, Stratford District’s population living within Taranaki was 9,480 people (8.1% of those in the region), which was a seven per cent increase from 2006. Residents in Stratford District live across 147,437 hectares (20% of the total land area) – or 6.4 people per km<sup>2</sup>. This population density is not adjusted to exclude 57,339 hectares of uninhabited natural forest (39% of the total area). Between 2013 and 2018, the proportion of people aged 65 years or over increased across the District within Taranaki by 12.4 per cent. In 2018, Māori made up roughly 14 per cent of the total population. Table 9 gives key demographic metrics for StatsNZ’s urban-rural geographies and Image 24 presents an indicative estimate of land use patterns within the Stratford District (Taranaki only).

Table 9: Key metrics for Urban-Rural Geographies within the Stratford District in 2018

Urban-Rural Geographies	Total pop 2018	Change in total pop from 2013	Change in the proportion of people aged 65+ years 2013 to 2018	Māori pop 2018
Stratford	5,781	+5.6%	+10.0%	999
Midhirst	252	+7.7%	+20.0%	36
Other rural	3,447	+5.0%	+20.2%	318

Source data: StatsNZ Census of Population and Dwellings 2013 and 2018 (supplied by Market Economics)

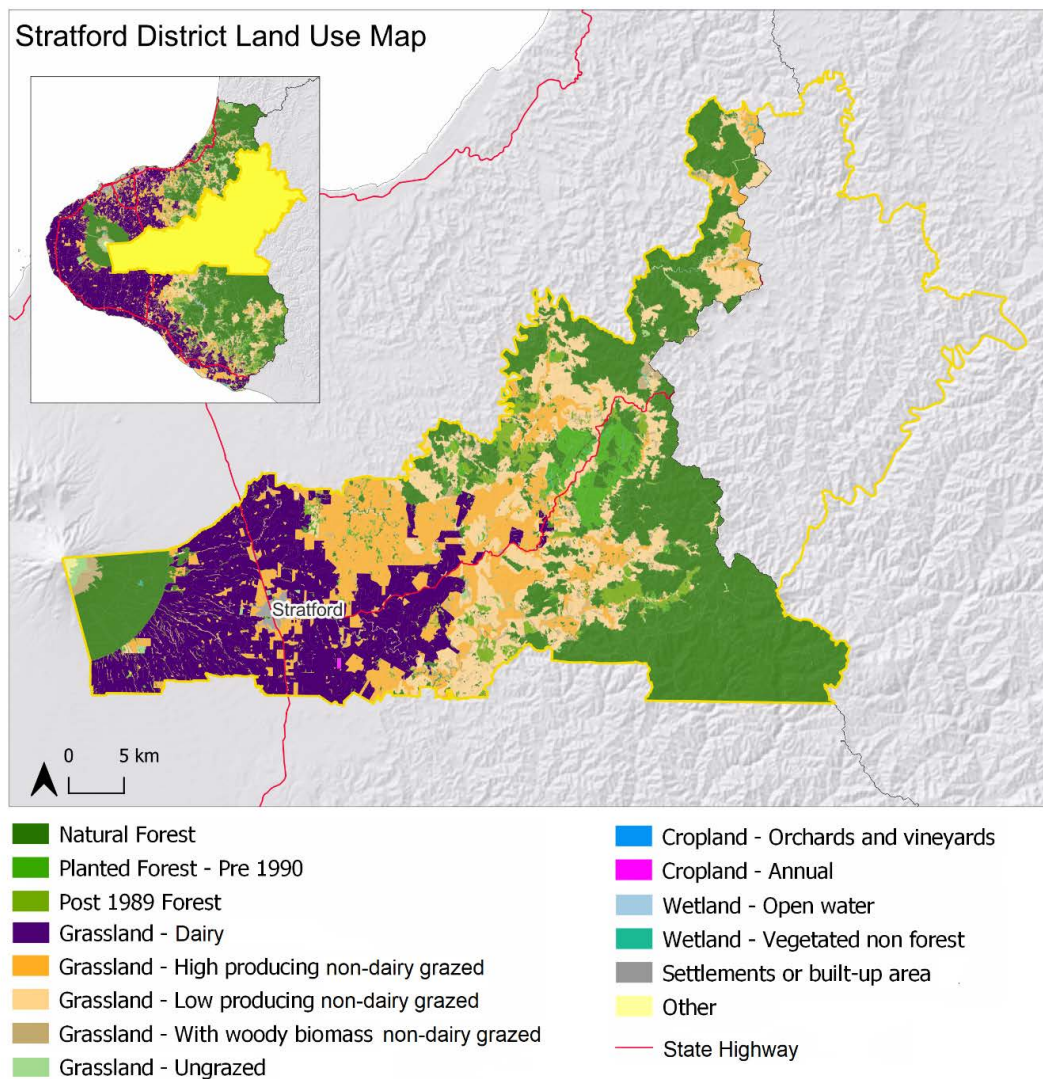


Image 24: Estimated land uses in the Stratford District in 2016 (Taranaki Region only)

Source data: Ministry for the Environment – Land-Use and Carbon Analysis System (LUCAS).



#### 4.4 South Taranaki District

South Taranaki District has a larger population than Stratford District and a series of townships, including Hawera (the second largest urban area in the region after New Plymouth). However, South Taranaki is the least populous of Taranaki's three districts in terms of people per km<sup>2</sup>. In 2018 the district had a total population of 27,540 people (23.4% of those in the region), or a four per cent increase from 2006 (the smallest of the three districts).

Residents of South Taranaki District live across 356,824 hectares (49% of the total land area) – roughly 7.7 people per km<sup>2</sup>. However, this population density includes 127,106 hectares of natural forest (36% of the total area).

From 2013 to 2018, the proportion of people aged 65 years or over increased by 8.0 per cent across the district. In 2018, Māori made up roughly 28 per cent of South Taranaki District's total population, which was the highest proportion across the three districts. Table 10 gives key demographic metrics by StatsNZ's urban-rural geographies within the South Taranaki District. Image 25 presents an indicative estimate of land use patterns.

Table 10: Population metrics for Urban-Rural Geographies within the South Taranaki District in 2018

Urban-rural geography	Total pop 2018	Change in total pop from 2013	Change in the proportion of people aged 65+ years 2013 to 2018	Māori pop 2018
Eltham	1,935	+4.7%	+6.8%	585
Hawera	9,792	+7.6%	+9.3%	2,700
Kaponga	309	+4.0%	-8.3%	87
Manaia	984	+1.2%	+18.8%	438
Normanby	1,029	+15.5%	+11.5%	411
Ohawe	216	+18.0%	+100.0%	60
Opunake	1,401	+5.2%	+2.1%	528
Patea	1,191	+8.5%	+12.8%	582
Waiinu Beach	81	+17.4%	+0.0%	24
Other rural	9,708	-1.9%	+3.4%	1,884
Waitotara	72	+9.1%	+0.0%	24
Waverley	822	+2.6%	+10.0%	255

Source data: StatsNZ Census of Population and Dwellings 2013 and 2018 (supplied by Market Economics)

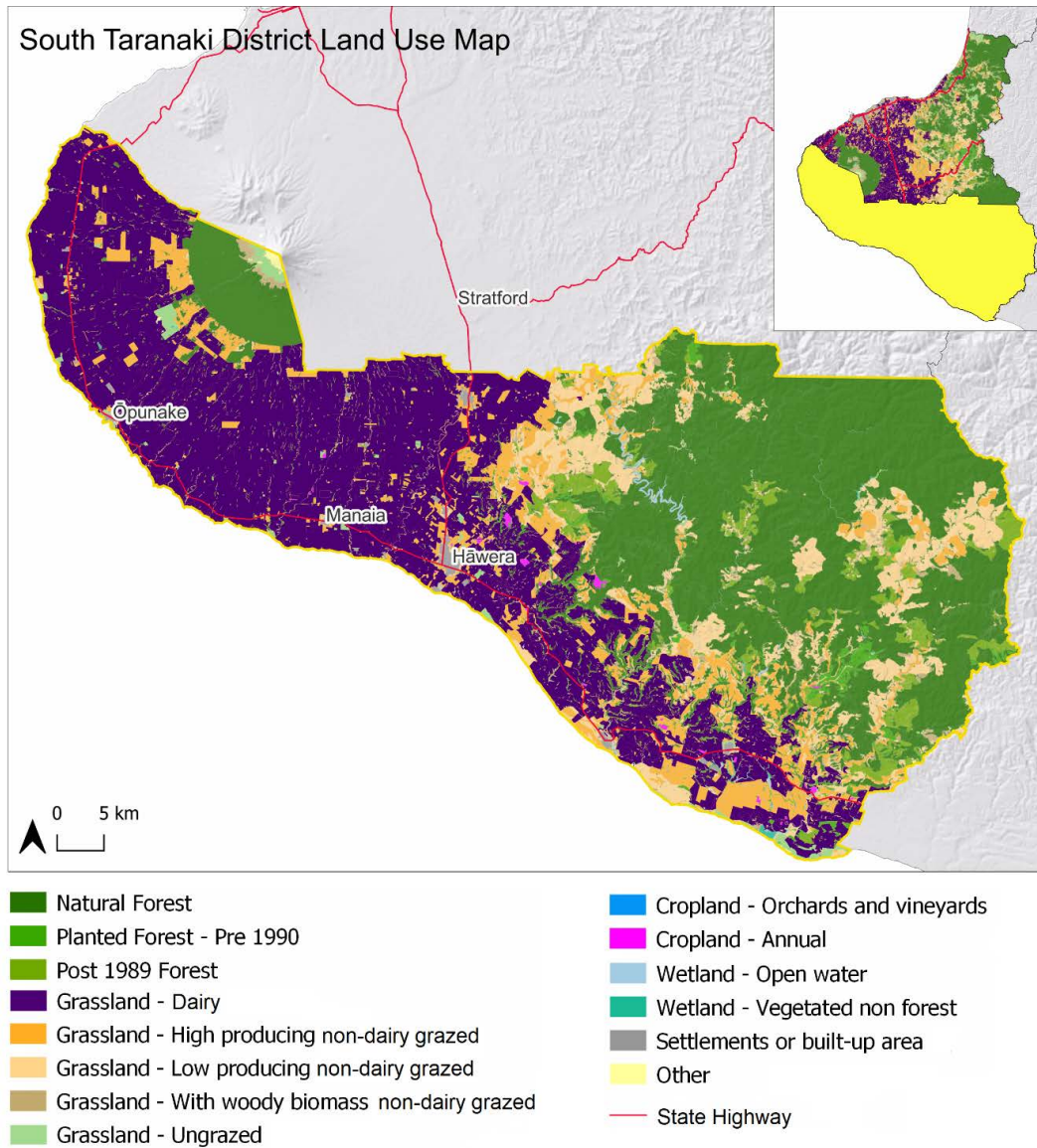


Image 25: Estimated land uses in the South Taranaki District in 2016

Source data: Ministry for the Environment – Land-Use and Carbon Analysis System (LUCAS).

## 4.5 Travel Patterns

Market Economics analysed trends in near.com data (www.near.com) for people’s movements to explore travel patterns within Taranaki<sup>47</sup>. These patterns are useful for indicating the connectivity (or spatial cohesion) between local communities as well as with surrounding rural areas. For example, they can show the extent to which a town is used as a service town or which communities are the most closely connected. A map (Image 26) and the results of the statistical analysis<sup>48</sup> was supplied to Taranaki Regional Council (but not the base data). On the map, travel to and from rural areas is represented as a single point in each of the three districts but in reality this travel is spread widely across the rural landscape. These results were used to create a set of ‘tree’ diagrams in Appendix 7.1 that show how the relative importance of a local community changes by district.

Unsurprisingly, the main travel patterns follow along State Highway 3 between New Plymouth, Stratford, and Hawera. In forecasting impacts it is important to correctly identify how they may flow between a region’s service centres. For example, more trips were made ‘from and to’ rural South Taranaki and New Plymouth than between rural South Taranaki and Stratford (Figure 60 in Appendix 7.1). Also, more trips were made ‘from and to’ Stratford township and Hawera than between Stratford township and Eltham (Figure 59). The distance from one service centre to another is also relevant in terms of services. For example, if any services were lost from a town (e.g., Opunake) then local residents may need to travel further to the closest alternative.

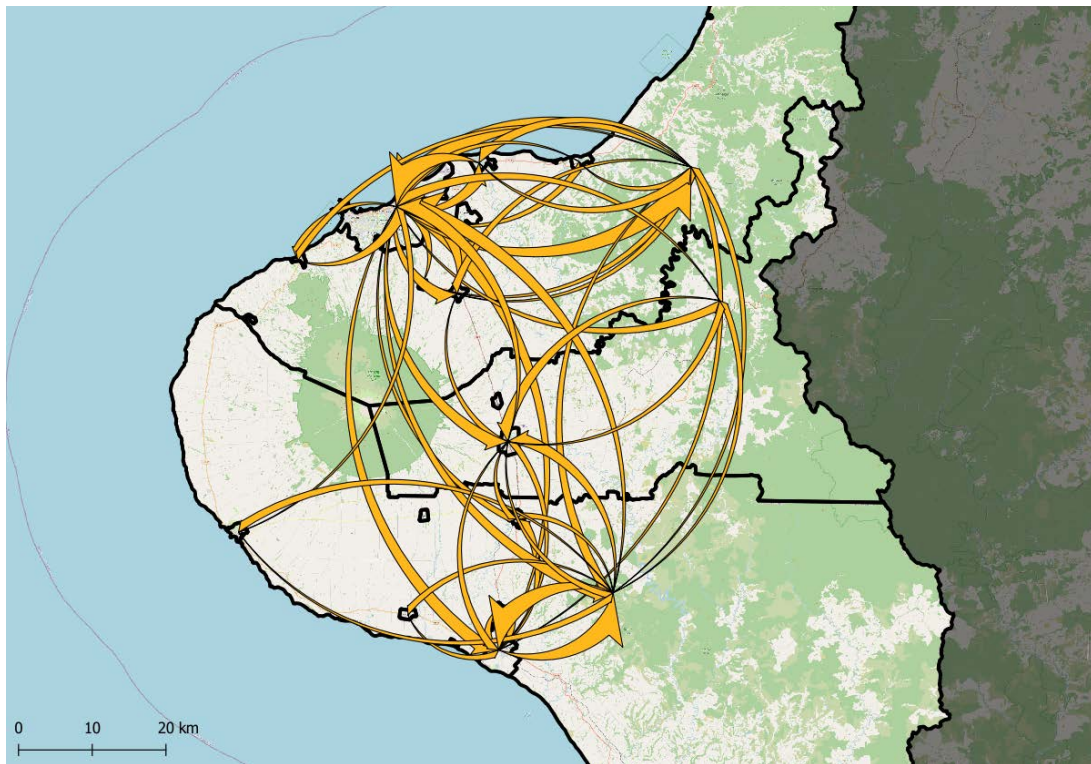


Image 26: Travel connectivity showing total annual trips between urban centres and rural areas within Taranaki in 2021

Source: Market Economics

Note: Travel to and from rural areas in each district is represented by a single point on the map rather than multiple locations.

<sup>47</sup> This data is sourced from applications (apps) with location enabled as a permission on cellular phones. The near data is a sample, and its usefulness is in showing relativities.

<sup>48</sup> Specifically, a network analysis was used. This method creates a structure (using ‘nodes’ and ‘edges’) that represents a group of objects or people and the relationships between them.

Two important factors influencing travel patterns are a community’s degree of isolation and the level of its self-sufficiency. Figure 12 compares ‘within location’ and ‘beyond location’ trips by urban-rural geographies. Those communities with a higher proportion on ‘within location’ trips, such as New Plymouth, Hawera, Patea, and Waverley are likely to be less dependent on other locations than communities such as Urenui, Kaponga, Lepperton, and Egmont Village. In Figure 12 Waitotara (a small town south-east of Waverley in South Taranaki District) shows as having all of its trips as being within the town. However, this result is likely because of a relatively small data sample for this location.

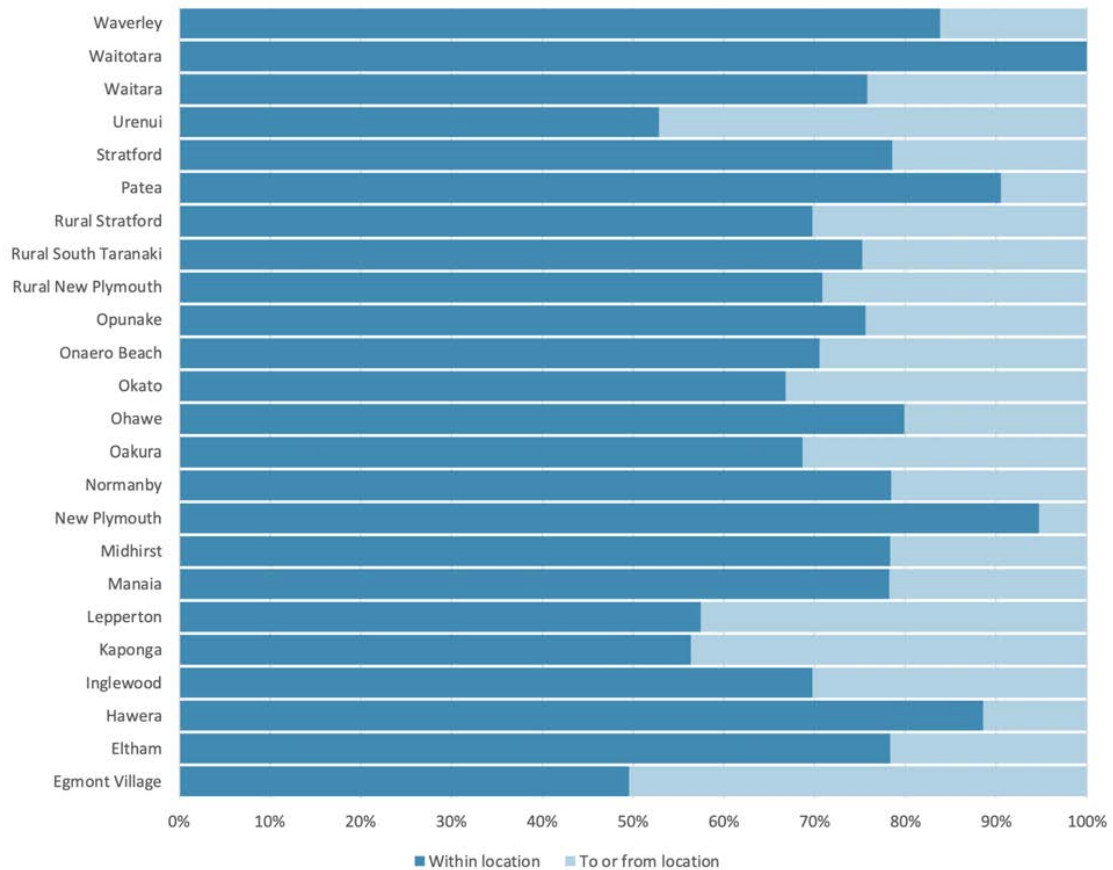


Figure 12: Proportion of trips either within or beyond local communities in Taranaki  
 Source data: Market Economics

#### 4.6 Municipal Water Services

Taranaki’s towns are located near water because water is vital to life but many towns have a complex relationship with water, in relation to both water quantity and water quality. A community’s location determines its topography, soils, subsoils, climate, and receiving water bodies. These characteristics shape the nature of a community’s essential services as well as its receiving environments for any adverse effects – including whether it is itself a receiving environment for other communities’ use of water upstream.

A principal role for district councils is to supply communities with water services, which make it possible for people to live and work together in the region’s towns as well as supporting those in the surrounding rural areas. Water services generally cover stormwater drainage, wastewater collection and treatment, and the supply of safe drinking water<sup>49</sup>. They are part of a community’s assets – as are the local rivers, lakes, aquifers, wetlands, and estuaries that water services interact with. Historically, stormwater and wastewater management have focused on public health<sup>50</sup> but over recent years it has expanded to also consider environmental health. Land transport (e.g., roading, bridges and culverts) is also relevant to the management of wastewater and stormwater in both a physical sense (i.e., constraining options) and a financial sense (i.e., competing priorities).

Each of Taranaki’s district councils supplies a different set of 3 Waters services (Table 11). For example, New Plymouth District’s services are few in number, large in scale, and relatively concentrated geographically while South Taranaki’s services are more numerous, smaller scale, and scattered. Of the ten wastewater schemes, nine discharge treated wastewater to fresh water or coastal water while one discharges to land. Most properties in rural areas depend on bores for drinking water and on-site wastewater management systems (e.g., septic tanks and disposal fields)<sup>51</sup>. Some industrial sites also use on-site wastewater systems.

Table 11: Distribution of Municipal 3 Waters Services in Taranaki<sup>52</sup>

District	Community	Drinking water	Wastewater scheme	Stormwater assets
New Plymouth	Waitara	Source: Waiwhakaiho River (supplied via New Plymouth WTP)	Connected to New Plymouth	Yes
	Bell Block	Source: Waiwhakaiho River (supplied via New Plymouth WTP).	Connected to New Plymouth	Yes
	New Plymouth	Source: Waiwhakaiho River.	Yes – discharge to Tasman Sea	Yes
	Inglewood	Source: Ngatoro Stream.	Connected to New Plymouth	Yes
	Ōkato	Source: Mangatete Stream.	Septic tanks	Yes
	Oākura	Source: onfined aquifer.	Connection to New Plymouth	Yes
	Urenui	Source: Waiwhakaiho River (supplied via New Plymouth WTP).	Septic tanks	Yes
	Onaero	Source: Waiwhakaiho River (supplied via New Plymouth WTP).	Septic tanks	Yes

49 Stormwater, wastewater, and drinking water services are commonly referred to as ‘3 Waters’. Responsibilities for the provision of flood protection schemes are shared between district and regional councils.

50 The early history of wastewater in Kaponga is a case in point. In 1904 three cases of typhoid were reported from Kaponga, Taranaki. An urgent Department of Health investigation did not pin down the exact source of the infection but found the township’s sanitation quite unsatisfactory and taken immediate measures to deal with the worst abuses. The investigator remarked that Kaponga ‘is not worse than smaller towns in the colony’. The matter became a long saga of delay, misunderstanding, discord, legal and administrative confusion, and conflicting interests. Only after over seven years of confusion and delay was a water and drainage system completed. <https://nzetc.victoria.ac.nz/tm/scholarly/tei-ArnSett-c8-4.html>

51 For example, 24% of the New Plymouth District’s population are not connected while in Stratford it is 42% (no data was available for South Taranaki) (Water New Zealand, 2019). In 2006 Taranaki Regional Council, New Plymouth District Council, Stratford District Council and South Taranaki District Council entered into a voluntary agreement to manage domestic wastewater system.

52 There are also two community-run water supply schemes: Cold Creek and Oanui.

Table 11: Distribution of Municipal 3 Waters Services in Taranaki *Continued*

District	Community	Drinking water	Wastewater scheme	Stormwater assets
Stratford	Stratford	Source: Patea River (main supply) and the Konini Stream (supplementary supply) by means of weirs. Treated and supplied to 2,300 separate customers.	Yes – discharge into the Patea River	Yes
	Toko	Source: groundwater from a bore. Treated and supplied to 32 rural properties (originally scheme was for former Toko dairy factory).	Septic tanks	Yes
	Midhirst	Source: Te Popo Stream. Treated and supplied to 92 properties (originally scheme was for former Midhirst dairy factory).	Septic tanks	Yes
South Taranaki	Hāwera	Source: Kapuni Stream. Treated and supplied to Hawera, Normanby, and Ohawe as well as rural users and industry.	Yes – discharge to Tasman Sea <sup>53</sup>	Yes <sup>54</sup>
	Normanby	Source: Kapuni Stream. Treated and supplied to Hawera, Normanby, and Ohawe as well as rural users and industry.	Yes - piped to Hāwera	Yes
	Ohawe	Source: Kapuni Stream. Treated and supplied to Hawera, Normanby, and Ohawe as well as rural users and industry.	Septic tanks	Yes
	Eltham	Source: Waingongoro River. Treated and supplied to both domestic and industrial users in Eltham.	Yes – piped to Hāwera	Yes
	Kaponga	Primary source: Otakeho Stream. Secondary sources: Mangawhero Stream via Mangawhero-iti Stream, and a groundwater bore. Treated and supplied (Waimate-West) to Kaponga and Manaia townships and 815 rural users.	Yes – discharge to the Kaupokonui Stream	Yes
	Manaia	Primary source: Otakeho Stream. Secondary sources: Mangawhero Stream via Mangawhero-iti Stream, and a groundwater bore. Treated and supplied (Waimate-West) to Kaponga and Manaia townships and 815 rural users.	Yes – discharge to a coastal stream between the Waiokura and Motumate Streams	Yes
	Inaha (rural)	Sources: Mangatoki Stream and Waingongoro River. Treated and supplied to rural water users from Kaponga across to Eltham and down to Matapu and Te Roti.	Septic tanks	None
	Ōpunakē	Source: Waiaua River. Treated and supplied to Opunake township and 22 rural users.	Yes – to a coastal stream between the Otahi and Heimama Streams	Yes
	Rahotu	Source: Pungaereere Stream. Treated and supplied to Rahotu township, rural users, and local industry.	Septic tanks	None
	Pātea	Source: groundwater from three bores. Supplied to Patea township (option to option to chlorinate if needed).	Yes – discharge to the Coastal Marine Area of the Pātea River	Yes
	Waverley	Source: groundwater from bores that tap a confined aquifer in the Whenuakura formation. Treated and supplied to Waverley township.	Yes – discharge to a tributary of Wairoa Stream	Yes
Waverley Beach	Source: groundwater from a bore. Supplied to Waverley Beach.	Septic tanks	None	
Waiinu Beach / Waitotara	Source: groundwater from a bore. Treated and supplied to Waiinu domestic users, limited watering and firefighting.	Waiinu beach camp has wastewater system with discharge to land, Waitotara on septic tanks	Yes	

<sup>53</sup> Discharge is via a marine outfall used by Fonterra’s Whareroa plant.

<sup>54</sup> Stormwater infrastructure is also located at Kapuni water treatment plant.

## 5 The Agriculture, Horticulture, and Forestry Sectors

*This chapter surveys the main industries within Taranaki's agriculture, horticulture, and forestry sectors before broadening out to consider the regional economy in Chapter 6. The reasons for the more -in-depth focus on these sectors (particularly dairy farming and sheep and beef farming) are:*

- 1. They account for a large proportion of developed land in the region;*
- 2. They consist of a large number of businesses that are also diverse in nature; and*
- 3. Their discharges of contaminants are largely diffuse, which historically has been less regulated than 'end of pipe' discharges.*

*Consequently, improving understanding of how they operate is an essential step in the proposed Regional Land and Freshwater Plan. As briefly described in Section 1.4.2, the chapter draws on readily available data as well as a series of six interviews with 10 farmers in the region as well as technical experts. The content of each industry section was shaped by the resources available (including data).*

*While important to this topic, the scope of this chapter does not specifically consider Māori agribusiness in Taranaki. Māori agribusiness consists of a broad range of enterprises typically involving collectively owned and managed Māori freehold land, general land that is owned and farmed together with Māori freehold land, and Māori farming general land on their individual account (MAF, 2011).*

*"Māori-owned agribusinesses are significant producers of food and fibre, yet Māori face a unique set of challenges when developing their whenua" (David Carter, Minister of Agriculture in MAF, 2011). Some challenges are similar to those faced by other owners of agribusiness, but many Māori agribusinesses do not have the same access to capital, which limits investment back into the whenua and has excluded many Māori from participating in the primary sector (Moran, 2022).*

StatsNZ define a 'farm' for its Agricultural Production Survey as a business that is:

1. Classified by StatsNZ's Business Frame as being engaged in horticulture, cropping, livestock farming, or exotic forestry operations; and
2. Goods and services tax (GST) registered and earn over \$60,000 during a financial year<sup>55</sup>.

In this context, earn refers to a business' 'turnover'<sup>56</sup> (i.e., its gross revenue). However, a commercial farm business usually needs a turnover in excess of \$60,000 to be viable.

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<sup>55</sup> This data comes from the Agriculture Production Survey (APS). Every five years StatsNZ conducts a census of all farms in New Zealand (52,300 in 2017) and a sample survey in non-census years (28,700 farms were surveyed in 2019). <https://www.stats.govt.nz/indicators/farm-numbers-and-size>

<sup>56</sup> Inland Revenue describes 'turnover' as the amount of money made from selling goods or services over a particular period. Turnover is not the same as profit, which is the money left after paying expenses. <https://www.ird.govt.nz/gst/registering-for-gst>

Using the StatsNZ definition and data, farmland in Taranaki decreased in area between 2002 and 2016 by just under 65,000 hectares (-13%) from 496,540 hectares to 431,661 hectares, while the number of farms declined by 876 (-23%) from 3,888 to 3,012. From 2016 to 2019 the area of farmland then increased by just over 20,000 hectares but the loss in the number of farms in the region continued. Over the 17 year period (from 2002 to 2019) there were on average 60 fewer farms per year as properties have amalgamated but the rate has slowed slightly since. In 2022 the region’s farm population was 2,736 (or 1,152 fewer than 20 years ago).

Figure 13 shows the distribution of farms in 2022 grouped by land area and industry (classified based on largest percentage of income<sup>57</sup>). Land area is one perspective on a farm’s ‘size’ with other metrics including employment, gross revenue, and environmental footprint.

Roughly 85 per cent of farms in the region are either dairy (47%) or sheep and beef cattle (38%) and many of them are small relative to farms in other regions of New Zealand (67% of sheep and beef farms and 37% of dairy farms are less than 100 hectares).

Most horticultural growing operations in the region cover a small area, although the data suggests there are three sizeable ‘vegetable’ growers and another six ‘other fruit and tree nut’ growers. However, this StatsNZ data does not appear to be entirely consistent with the data for the area of horticultural crops reported in Section 5.2.

In total, around 52 per cent of farms are less than 100 hectares and another 25 per cent have an area from 100 to 200 hectares. Image 27 estimates the spatial distribution of agriculture, horticulture, and forestry in 2016.

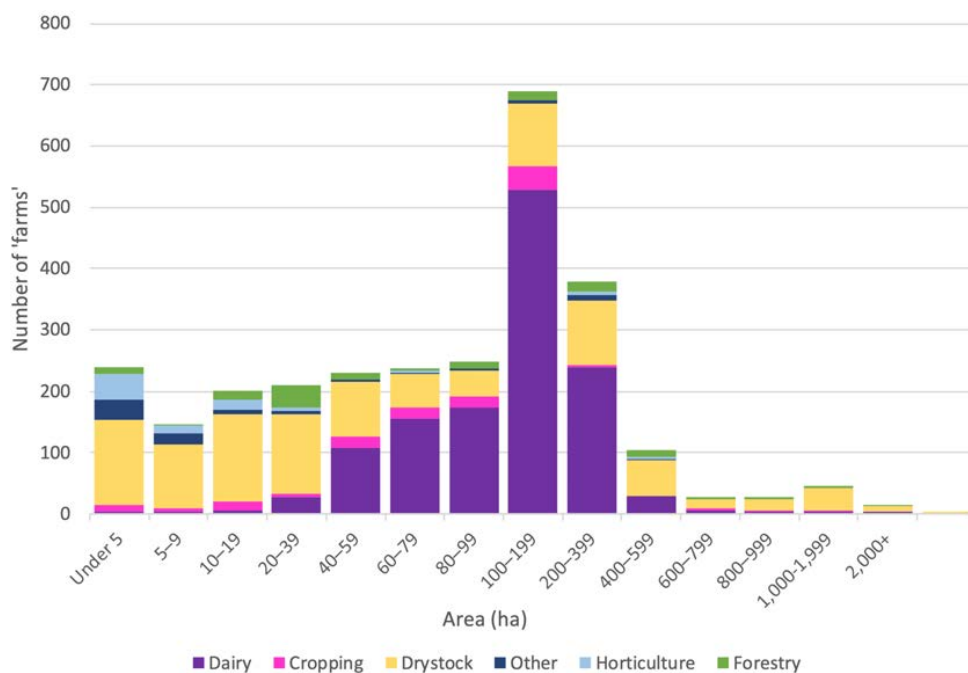


Figure 13: Estimated distribution of ‘farms’ by area in Taranaki at end of June 2022  
Source data: StatsNZ Agricultural Production Statistics

57 Up to five sources of farm income are able to be identified on the Agricultural Production Survey form.



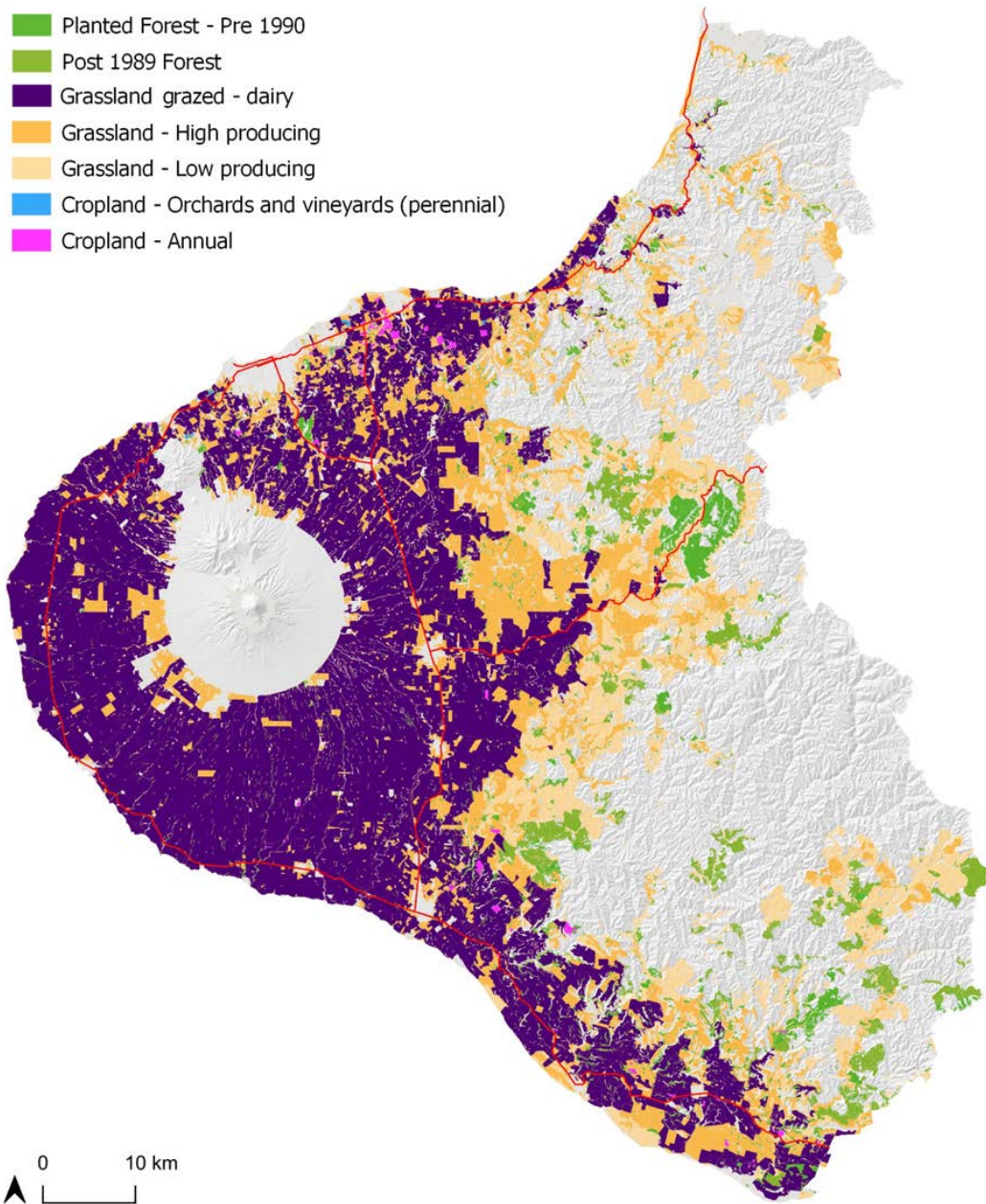


Image 27: Estimated land uses related to agriculture and forestry in Taranaki in 2016  
Source data: Ministry for the Environment – Land Use and Carbon Analysis System (LUCAS)

## 5.1 Agriculture

Patterns of rural land uses within a region tend to change over time with the evolution of different industries as shifts occur in various opportunities and constraints (e.g., markets, technologies, policy). As well, land uses that compete for similar land can occur in cycles around each other. However, land use patterns in Taranaki have seen less change since the late 19th Century than in many other regions.

In addition to dairy and sheep and beef farming, a notable feature in rural Taranaki from the 1920s was the planting of barberry and boxthorn hedges, which was widely undertaken to mimic the English countryside, so that by the 1960s the region:

*“...appeared as a series of small rectangular paddocks quilted by these hedges. Taranaki, in fact, has become celebrated for the use of these hedges, but, as ever, new technologies are rendering old achievements suspect. For with rotational grazing, the paddocks are recognised to be too small and the labour costs of trimming these hedges are becoming excessive.”*

### ***The Encyclopaedia of New Zealand (McLintock, 1966)***

Despite the cyclical nature of land uses, in Taranaki agricultural land uses have been relatively stable since World War II in comparison to many other regions in New Zealand. In 1951, the Taranaki provincial district comprised of the Taranaki, Egmont, Inglewood, Stratford, Eltham, Waimate West, Hawera, Patea, Whangamomona<sup>58</sup>, and Clifton Counties. Dairying predominated in the first seven counties, and in the last three sheep farming was the more important.

*The total area occupied in the district is 1,440,000 acres<sup>59</sup>, of which 990,000 acres are in grass; 16,000 acres are in crop; 6,000 acres are in plantations, etc., while 420,000 acres comprise unimproved land. Altogether about 240,000 cows are milked in the district, and 700,000 breeding ewes are run. The average size of holdings varies widely between counties. In the Waimate West County, which is a dairy-farming area, there are 439 holdings of an average size of only 114 acres; in the Whangamomona County, which is mainly steep hill country, there are 136 holdings with an average area of 1,053 acres.*

### ***An Introduction to Taranaki (Burgess and Scott, 1951)***

By 1966 the Encyclopaedia of New Zealand (McLintock, 1966) was highlighting both the importance of dairy farming in the pastoral economy of Taranaki, in contrast to many other areas at the time, and the contribution of sheep farming to economic growth. Also noted was that the average size of the holdings across both industries tended to be low in comparison with other parts of New Zealand<sup>60</sup>. Image 28 and Figure 14 show the distribution of land uses by rural landholding in Taranaki at the start of the 1960s. They highlight the dual focus on dairy farming and sheep farming (just under 94% of total landholdings at the time) and strong connections between the two industries (e.g., 7% of farms being dairy and sheep farming<sup>61</sup>). Pig farming was also present in the region at the time<sup>62</sup>, and 37 farms were predominantly poultry keeping<sup>63</sup> (New Zealand Yearbook, 1962).

58 Now in Manawatū-Whanganui region (not Taranaki).

59 Equivalent to 582,747 hectares.

60 One reason for small farm size in the Taranaki hill country is that the 19th Century surveyors were accustomed to lowland concepts of an economic size of farm (Encyclopaedia of New Zealand, 1966: p354).

61 Many dairy farmers, particularly those supplying cheese factories, relied on bought-in heifers, many of which were reared by sheep farmers, rather than breeding their own replacements. Sheep farmers bought weaned calves from dairy farmers, mated them and sold them just before they calved (NZ Dept. of Agriculture, 1963).

62 In the past, dairy farmers produced practically all of New Zealand's pork. Pig farming was an adjunct to dairying with skim milk (a byproduct of butter manufacturing) being their principal feed. As well, whey (a by-product of cheese manufacturing) was sometimes used as feed at piggeries owned by dairy companies. Otherwise, the whey was taken back to the farm by the supplier the day after they delivered their milk. In the 1960s spray irrigation of surplus whey was being used extensively (NZ Dept. of Agriculture, 1963).

63 At the time, poultry farming in New Zealand was confined almost entirely to egg production, and although table poultry was gaining attention, most table birds were still by-products (New Zealand Yearbook, 1961). The largest numbers of commercial poultry farms were around Auckland, Christchurch, and Oamaru.

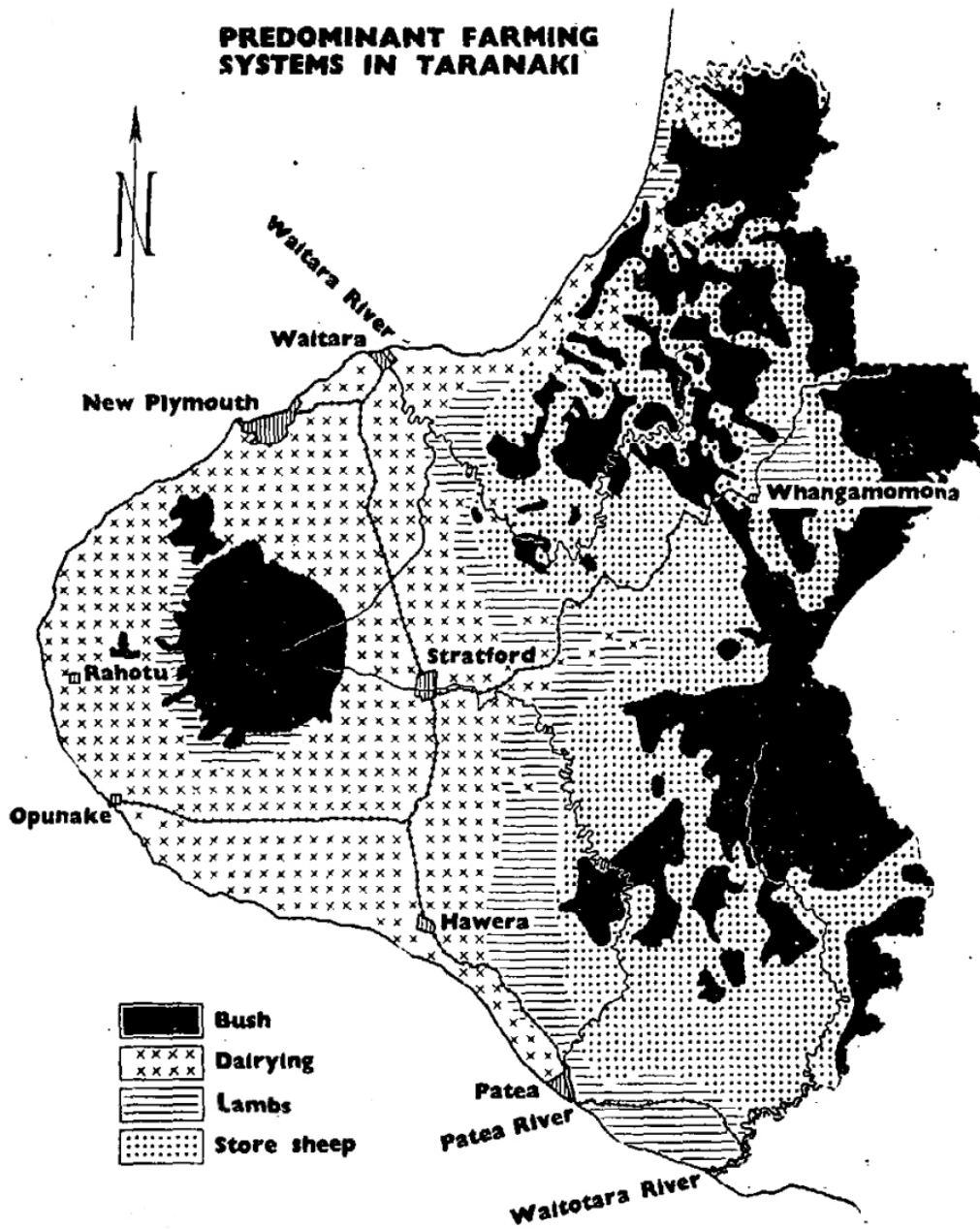


Image 28: Main farming systems in the Taranaki Province in 1951  
Source: Burgess and Scott (1951)

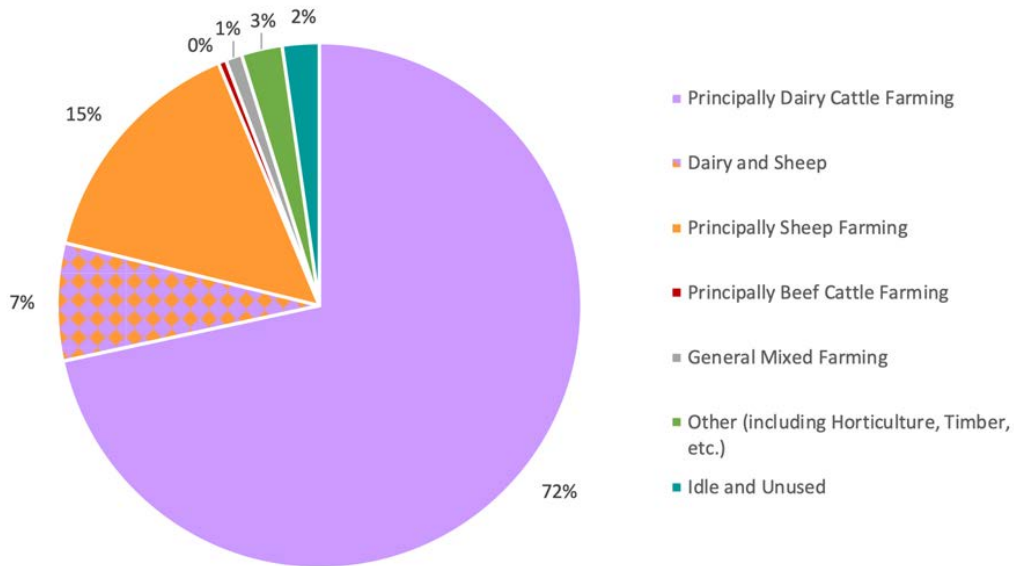


Figure 14: Proportional distribution of agricultural land uses in 1959-60  
Source: New Zealand Yearbook 1963

Since the 1970s, pastoral farming in Taranaki has gradually become less diverse as dairy farming steadily expanded and drystock farming contracted. From 1990 to 2023 the regional sheep flock declined by 972,000 (-71%), the beef cattle herd by 60,000 (-34%), and the deer herd (to 2022) by 16,000 (-80%). Less dramatically, the dairy cattle herd declined by 70,000 (-12%). In 2009 the number of dairy cattle in the region exceeded the number of sheep (on a per head basis). Figure 15 looks from the mid-1970s to 2023 and shows these trends as 'livestock units'. Livestock units is a way of comparing numbers of pastoral livestock that have different feed requirements, with one 'livestock unit' being equivalent to a ewe with a lamb at foot. Since 2000, poultry farming has expanded in Taranaki and many farms have upgrade their facilities.

The data used in Figure 15 is not specific to age or breed and so generalised stock units, informed by the B+LNZ Benchmarking Tool<sup>64</sup>, were used in the calculations (sheep = 1, deer = 2, beef cattle = 5.5, and dairy cattle = 7.5). Overall, total livestock units have gradually declined since 1974 by 28 per cent from 7.2 million to 4.7 million. However, this decline in total livestock units has been offset by changes in breeds, particularly from Jersey to Holstein-Friesian and then to Kiwi Cross, and incremental increases over time in each animal's production. Such nuances are not reflected in the basic stock unit calculations in Figure 15.

<sup>64</sup> <https://tools.beeflambnz.com/benchmarking-tool>

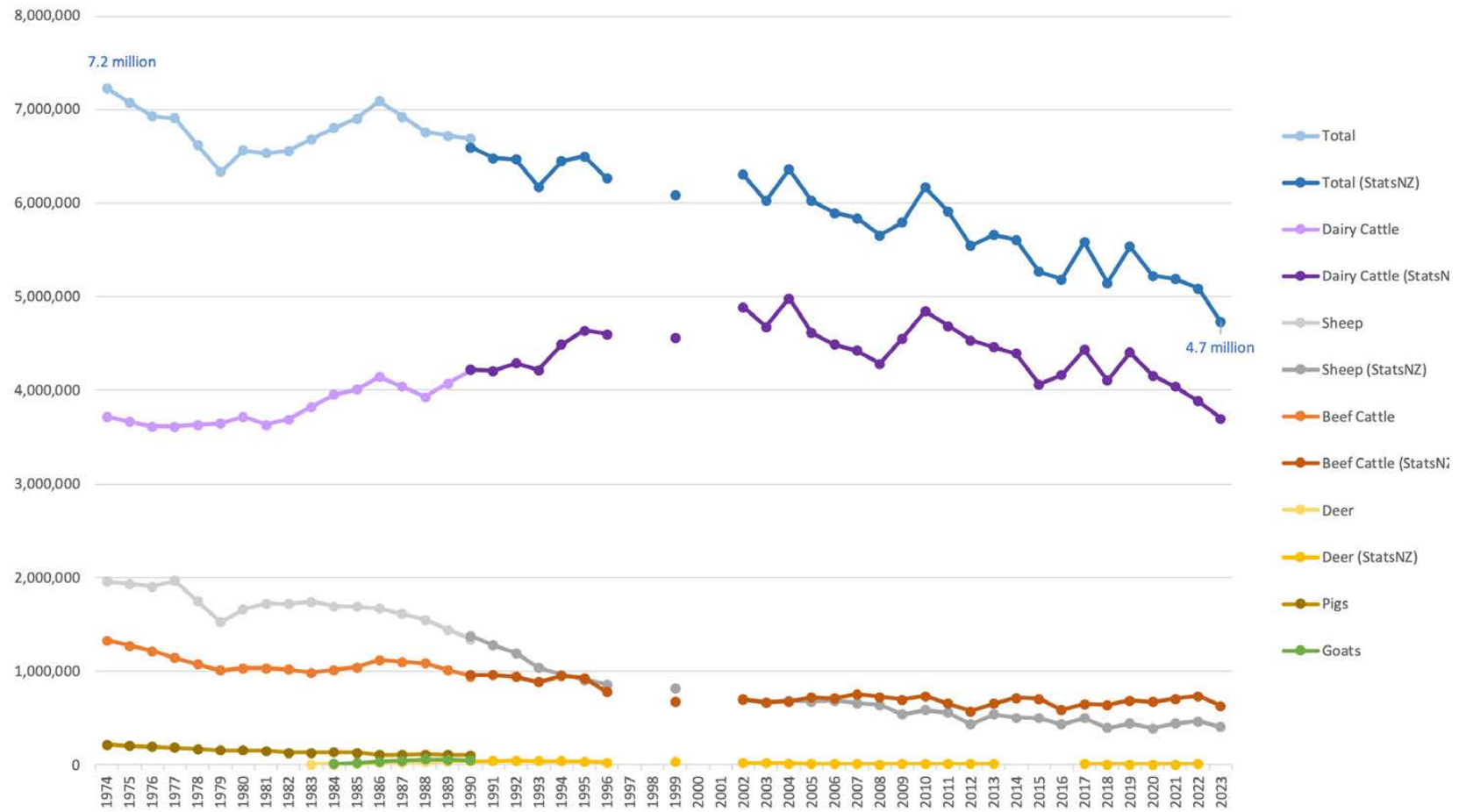


Figure 15: Changes in livestock (measured as livestock units) in Taranaki 1974-2023

Source: New Zealand Yearbooks and StatsNZ

Notes: There are data breaks in the graph because there was no Agriculture Production Survey conducted in 1997, 1998 or 2001. In 2000, the survey related only to horticulture.

### 5.1.1 Arable Farming

Arable farming is not a major land use in Taranaki but small volumes of arable crops are grown, largely to support the local dairy industry (supplementary feed is discussed in Section 5.1.2.7) (Greer, 2014). Historically, the explanation for limited cultivation on Taranaki’s ‘volcanic lands’ was:

*Cropping occupied between 25,000 and 30,000 acres from 1920 to 1928 but had dropped to 13,000 acres by 1948-49<sup>65</sup>. During this period a much smaller area was sown to new grass each year and so only a small portion of the total ploughable grasslands of the province was renewed with the better strains of grasses and clovers; from the early 1920’s onwards, the plough was discarded on more and more farms in favour of the grass harrows and the mower, which together with topdressing, were relied on in an all-grass farming policy for the maintenance of the pastures. One of the major reasons often given by Taranaki farmers for not breaking up old turfs has been the difficulty in getting a good and quick establishment of better species after ploughing. This difficulty has been most pronounced on the lighter and poorer volcanic soils, particularly after more than one crop has been taken from the land.*

#### **C. J. Hamblyn (1951)**

In 2022, 83 per cent of the area used for cropping was pasture/lucerne<sup>66</sup> for making hay, silage, and baleage, with seven per cent and six per cent for maize silage and forage brassicas respectively (Figure 16)<sup>67</sup>. As well, roughly 400 hectares each were grown of lucerne (either used or sold) and other crops for silage. There are other arable crops grown in Taranaki, such as sunflowers at Huirangi<sup>68</sup>. Around half of the arable cropping land was in South Taranaki (Table 12 and Figure 17).

Table 12: Grain, seed and fodder crop land and land prepared for these crops in Taranaki in year to June 2022

District	Area (ha)	Share of crop land in region
New Plymouth	1,052	30%
Stratford	611	18%
South Taranaki	1,797	52%
Taranaki	3,459	100%

Source data: StatsNZ Agricultural Production Statistics 2022

<sup>65</sup> 25,000 to 30,000 acres equals 10,000 to 12,000 hectares and 13,000 acres equals just over 5,000 hectares.

<sup>66</sup> The suitability of Taranaki for growing lucerne has long been recognised. In 1936, Elliot and Lonsdale: “Two outstanding features appear to be common to those areas where lucerne can be said to be an important feature of the farms, first, a freely draining subsoil, and second, dry summers, if not annually, then at least once in a while and frequently enough at any rate to bring out the value of lucerne as a green forage crop as compared with the pastures with which it has to compete for its place on the farm”.

<sup>67</sup> Taranaki is also seen as well-suited for hemp production and the region is the base of New Zealand’s industry development initiative (Greer, 2014). More information on hemp in the region is available at: <https://www.venture.org.nz/assets/Uploads/Hemp-Blueprint-Final-v2.pdf>. Hemp production is highly regulated so that illegal, high-THC cannabis is not produced. Since 2018 hemp seed is able to be sold as food, although the growing, possession and trade of whole seeds requires a license from the Ministry of Health. <https://www.mpi.govt.nz/agriculture/plant-products-requirements-and-pesticide-levels/hemp-seeds-as-food/>

<sup>68</sup> <https://www.rnz.co.nz/news/national/507360/grower-s-great-wall-of-maize-to-keep-out-selfie-seekers>

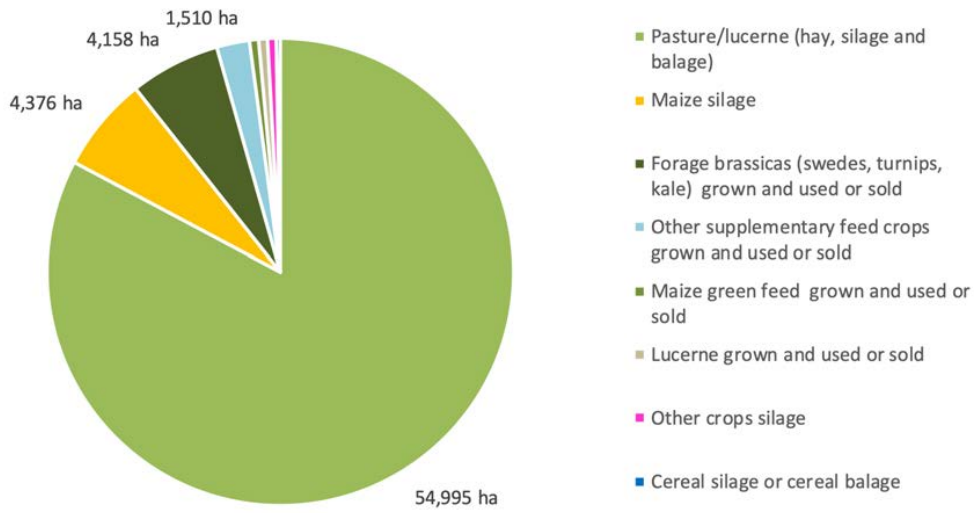


Figure 16: Arable crops grown in Taranaki in 2022  
 Source data: StatsNZ Agricultural Production Statistics 2022

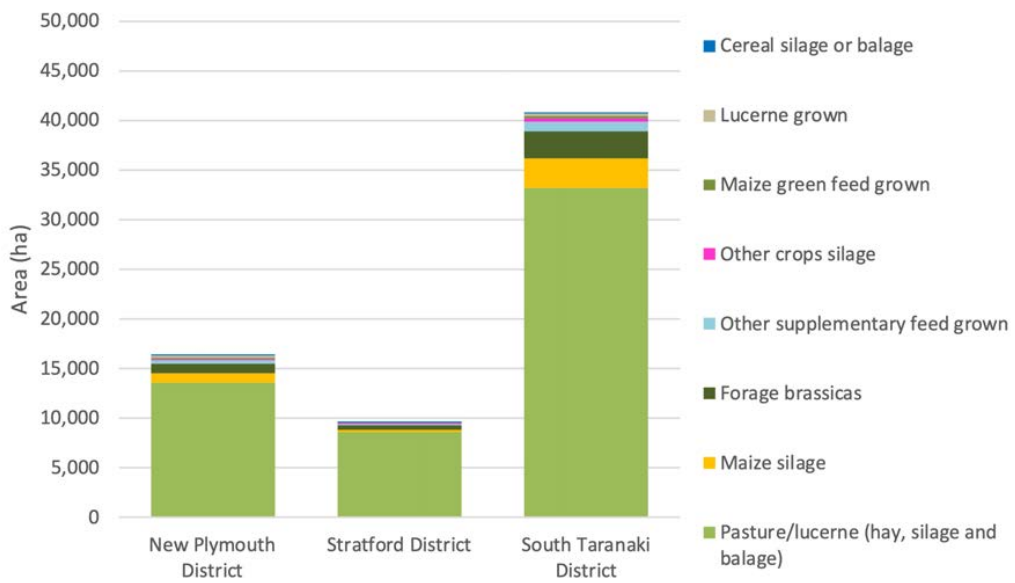


Figure 17: Arable crops grown by district in Taranaki in 2022  
 Source data: StatsNZ Agricultural Production Statistics 2022



*Image 29: Rounding up the lambs for tailing with wet areas in distance  
Photo credit: Sarah Coogan*

A farm's livestock numbers are continually changing throughout a production season as farmers are continually balancing their feed supply and demand. At times some livestock are grazed elsewhere and, conversely, and many farmers graze livestock owned by someone else (Figure 18). These flows of livestock occur both within and between regions. In Taranaki there is easy access to dairy cows for grazing and a similar number of dairy cattle are grazed in the region as in the Bay of Plenty and Manawatū-Wanganui (Figure 19). The distribution of livestock types and age classes being grazed is proportionally similar to Waikato and a large proportion of the dairy cattle grazed in Taranaki are rising 1 year old heifers. Many of the sheep grazed elsewhere are likely to be new lambs and new hoggets. Some hill country farmers will send their ewe hoggets out to graze on someone else's farm and have them return in January as a 60+ kg 'two-tooth' (M. Flett, pers. comm., 2023).



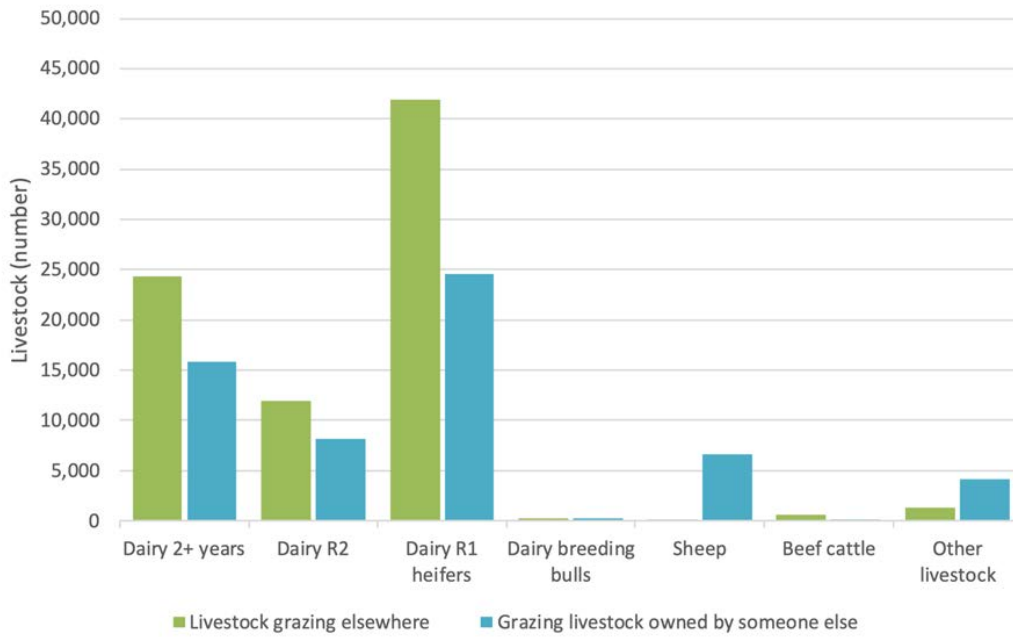


Figure 18: Livestock grazed by stock type in Taranaki in 2022  
Source data: StatsNZ Agricultural Production Statistics 2022

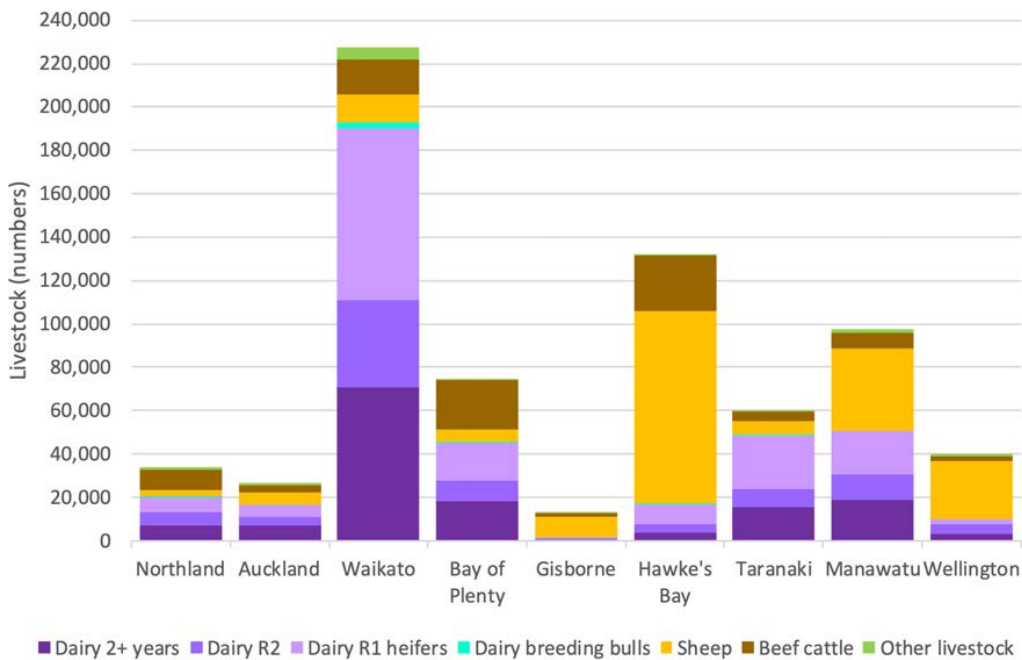


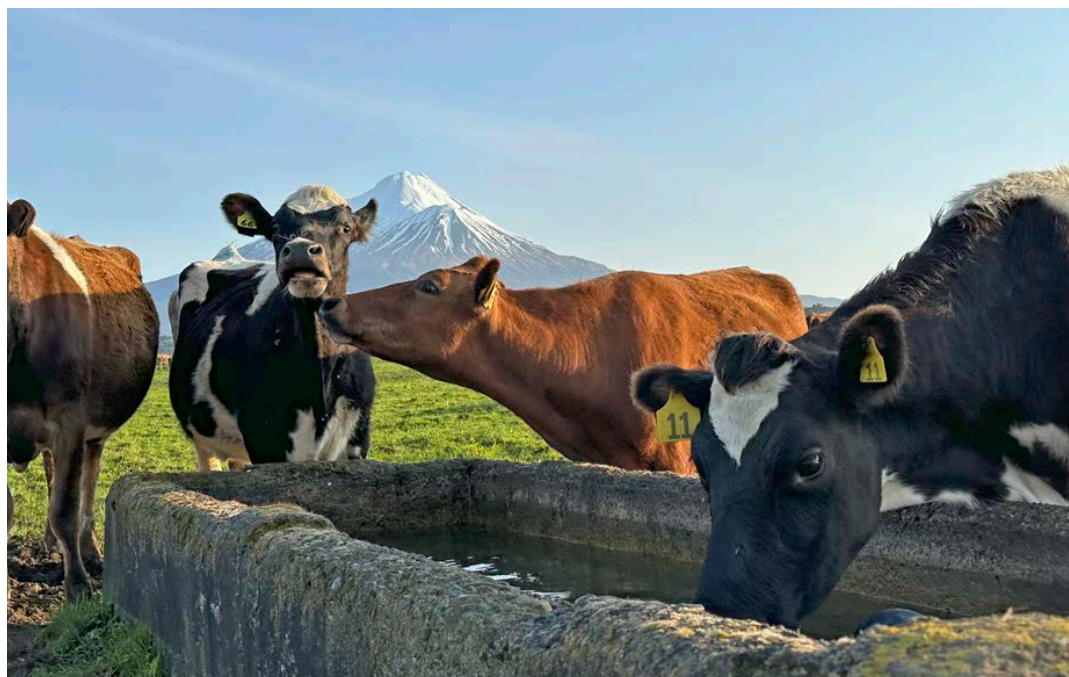
Figure 19: Grazing livestock (owned by someone else) by stock type for all regions in the North Island  
Source data: StatsNZ Agricultural Production Statistics 2022

### 5.1.2 Dairy Farming

*This section is largely based on the following information and it was reviewed by DairyNZ.*

- 1. Data provided by DairyNZ in 2023 for the time period from 1989 to 2020<sup>69</sup> and that available in the DairyNZ Econ Tracker Tool (Farm Economics)<sup>70</sup> and DairyNZ publications; and*
- 2. An interview with three Taranaki dairy farmers (2 owner-operators and one 50/50 sharemilker who together had experience of a range of properties in the region).*

Taranaki is one of the New Zealand's traditional dairying regions, along with the Waikato. Dairy farming is generally well suited to Taranaki's gentler sloping land, fertile soils and favourable climate for pasture production. The industry occupies roughly 236,000 hectares of land (milking platform<sup>71</sup> plus additional support land), most of which is Land Use Capability classes 1 to 5. Taranaki is the fourth largest dairy region accounting for approximately 10 per cent of milksolids production in 2022-23 (Dairy Statistics 2022-23), which drives dairy incomes and flow-on-expenditure. Taranaki has 14 per cent of the dairy herds in New Zealand, behind Waikato (with 28.5%) but ahead of Southland (9.3%) (Dairy Statistics 2022-23), although its herd sizes tend to be small. The region contains 9.5 per cent of the country's dairy cows, behind Waikato (22.6%), Canterbury (20.1%), and Southland (12.5%) (Dairy Statistics 2022-23).



*Image 30: Dairy cows on a farm in South Taranaki  
Photo credit: Laura West*

<sup>69</sup> This dataset had gaps for Stratford District in 1990 and 1991 so a 1992 to 2020 time period was generally used.

<sup>70</sup> <https://www.dairynz.co.nz/tools/dairynz-econ-tracker-tool/>

<sup>71</sup> The milking platform is the land that is used for cows while they are in milk and is distinct from any support land, which is often referred to as a support block or 'run-off block'.

5.1.2.1 Historical Context

As already noted, dairy farming has a long history in Taranaki. In its study course for servicemen returning from World War II, the Army Education Welfare Service used Taranaki to illustrate its point that dairying was well established in New Zealand where conditions were particularly favourable for pasture growth. It reported that Taranaki’s oldest intensive dairying districts were described as having “from 50 inches to 100 inches of rain spread over 125 to 200 days in the year, while temperatures are mild” (New Zealand Army Education Welfare Service, 1945, p. 27).

While dairy farming’s long history in Taranaki is well-founded, this general statement can partially obscure its continuing evolution within the region (Figure 20). Between 1921 and 1960, the dairy herd grew by 100,000 dairy cows in milk (64%) from just under 158,000 cows to just over 258,000 cows. During this time, dairying also came and went in some localities. As an example, in Matau (Stratford District):

*At the height of dairy farming popularity, the number of cows being milked in the area during the 1930’s rose to more than 800. However, by 1948 most of the farmers had gone completely out of dairy and into sheep and beef farming so they were back with just their house cows again. Farmers had decided the price of cream cartage to Stratford each day was too expensive and that the land was not entirely suitable for dairying.*

**Richards & Richards (1995, p. 22)**

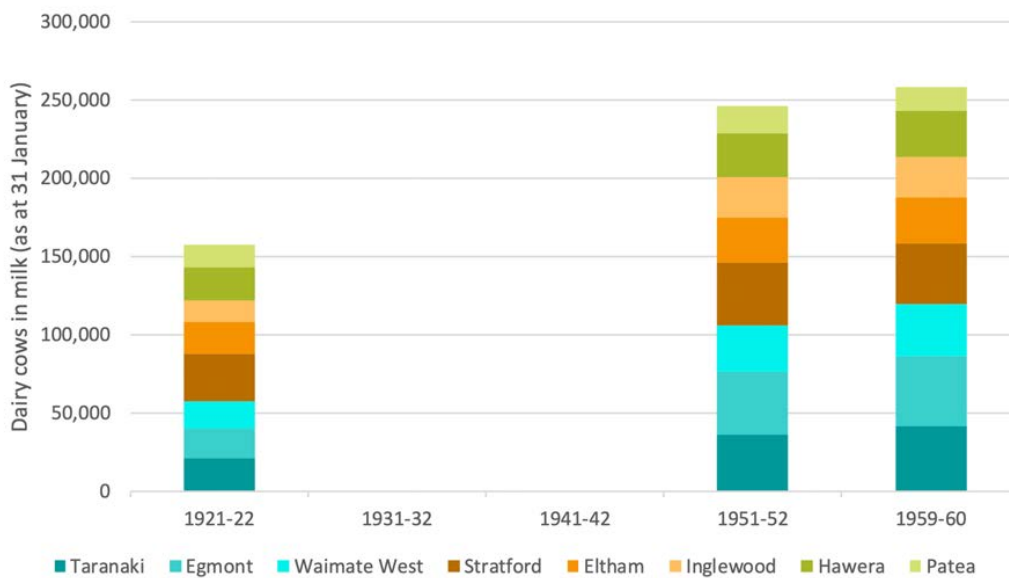


Figure 20: Dairy herd by county in the Taranaki Provincial District from early to mid-20th Century

Source data: An Encyclopaedia of New Zealand (McLintock, 1966)

Note: The years reported in the graph (1921, 1951, and 1961) were all that was available in the source reference.

In the 1940s around 240,000 dairy cows being milked and dairying was predominant the Taranaki, Egmont, Inglewood, Stratford, Eltham, Waimate West, Hawera Counties (Burgess & Scott, 1951). While cows were milked on roughly 5,100 properties, only about 3,000 holdings were classed as “straight-out dairy farms” on which 40 cows or more were milked. Farms in Taranaki, Stratford, and Inglewood Counties tended to milk 40 to 50 cows. Farms in Egmont County tended to milk over 100 cows and sharemilking was more common than elsewhere in Taranaki.

Of the breeds used in New Zealand (Jerseys, Friesians, Ayrshires, Shorthorns, and to a far lesser extent Red Polls), the Jersey was “by far the most important and accounts for approximately three-quarters of the dairy stock in this country”<sup>72</sup>. In Taranaki the most important product was cheese:

*...amounting to 40,000 tonnes annually, or 45 per cent of the normal New Zealand output. Dairying was well developed there at a time when cheese prices were relatively better than butter prices, and so farmers' capital was tied up in cheese factories to give this side of the industry a measure of permanency. Because whey is the main dairy by-product, pigs have not achieved such importance in Taranaki as they have in the Waikato or Manawatū.*

#### **Army Education Welfare Service (1945)**

During the 1950s there was a steady increase in production throughout Taranaki but no major changes in grassland farming (Moss, 1963). Some farmers were following “good management practices” and there was a general overall improvement in farming efficiency (Moss, 1963). For a few years from the mid-1950s farmers were able to “plough back a considerable amount of income into their properties” (Moss, 1963).

By the 1960s, most milk produced in New Zealand was separated and the cream was used for the manufacturing of butter (roughly 73% of total milk), with the remainder being used either for cheesemaking (16%) and town milk supply<sup>73</sup> (8%) (the balance was used in condensed milk and whole milk products or fed to calves) (Dept. of Agriculture, 1963). In Taranaki in 1961, there were 16 creameries producing butter, 61 cheese factories, and 14 dual (butter and cheese) operations (Dept. of Agriculture, 1963). At the time, growth of skim milk powder production was being encouraged by the development of tanker collection with the milk being separated at the factory.

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<sup>72</sup> In 1940, the dominance of the Jersey was comparatively recent. The first cattle introduced were dual-purpose Shorthorns, which suited the subsistence nature of farming in the days of the New Zealand Company up until the advent of refrigeration in 1882 (New Zealand Army Education Welfare Service, 1945). The production of dried milk powder began at the Glaxo Factory in Bunnythorpe, Manawatū in 1904 (<https://manawatuheritage.pncc.govt.nz/item/d6108046-b774-402e-9218-b131fd6f72f6>) and the Matangi Factory in Waikato in 1919 (<https://www.waikato.com/whats-on/news/article/2018/06/07/backbone-of-new-zealand-s-history-preserved-in-the-waikato>). Dried milk powder gained importance during World War II (New Zealand Army Education Welfare Service, 1945).

<sup>73</sup> In the 1960s New Zealanders consumed 303 pints of milk per person annually – or almost one a day (NZ Dept. of Agriculture, 1963).

In 1981, it was reported that dairy production had increased considerably during the 1970s, “but with many farmers now approaching 100% pasture utilisation future increases must come from increased pasture growth, which has been static for the past 15 years” (Hockings, 1981). At this time, 37 per cent of the total pasture and crop lands, and 59 per cent of the total stock units were in dairying (Hockings, 1981). Figure 21 shows the expansion of Taranaki’s dairy herd over a 70 year period to its peak in the early 2000s using three data sources.

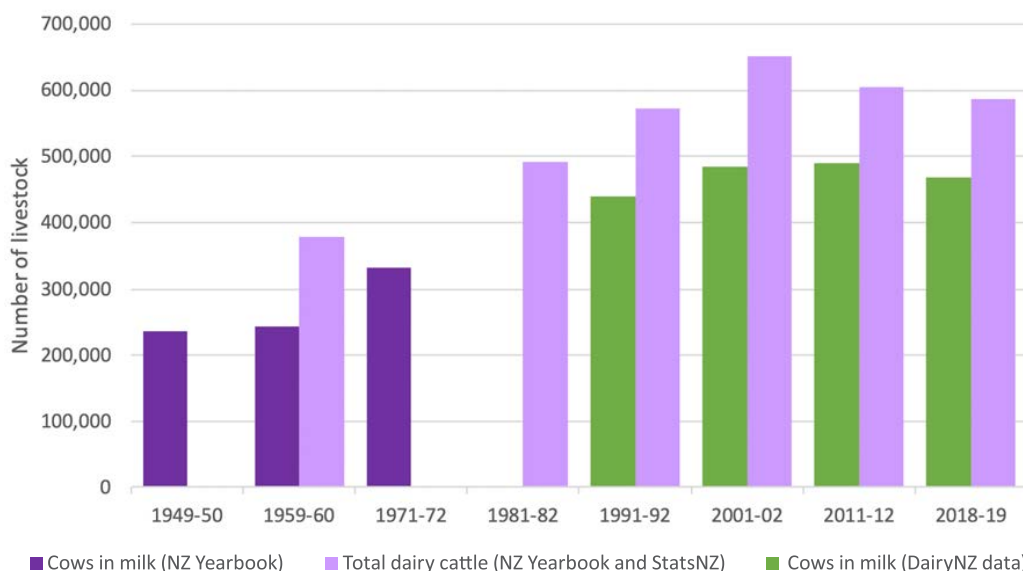


Figure 21: Changes in dairy cows and cattle (using different data sources) in Taranaki over 70 years  
Data sources: as identified in key on the graph

From 1992 to 2020, the regional dairy herd increased by roughly 27,000 (+6%), although there was some variation in the intervening years. The number of cows rose during the 1990s<sup>74</sup> from under 400,000 to a peak of 501,000 in 2001 before settling back to just under 466,000 in 2020. These trends were largely driven by changes in the South Taranaki District (Figure 22). In contrast, the number of dairy herds decreased over the same time period, again influenced by South Taranaki (Figure 23). Using DairyNZ data, there were a total of 1,479 dairy herds in Taranaki in 2022-23. South Taranaki consistently is the district with the highest number of herds (901) in New Zealand (Dairy Statistics, 2022-23). Based on StatsNZ data there are a total of 1,290 dairy farms in the region in June 2022.

Alongside these trends, dairy farmland (dairy platform only) in the region decreased between 1992 and 2020 by four per cent to 167,000 effective hectares (and has decreased slightly further since). This small reduction in dairy farmland occurred in Stratford (-5,065 eff. ha) and New Plymouth (-3,475 eff. ha) as a result of urban expansion and was slightly offset by a marginal addition in South Taranaki (+1,300 eff. ha).

<sup>74</sup> Taranaki was once dotted with small dairy factories but by 1994-95 they had consolidated to one, Kiwi Co-operative Dairies Whareroa, which was processing almost 20% of New Zealand’s dairy exports (Richards & Richards, 1995). At the time the average herd size in the company was 170 cows and a cow was producing an average of 170 kg of milkfat.

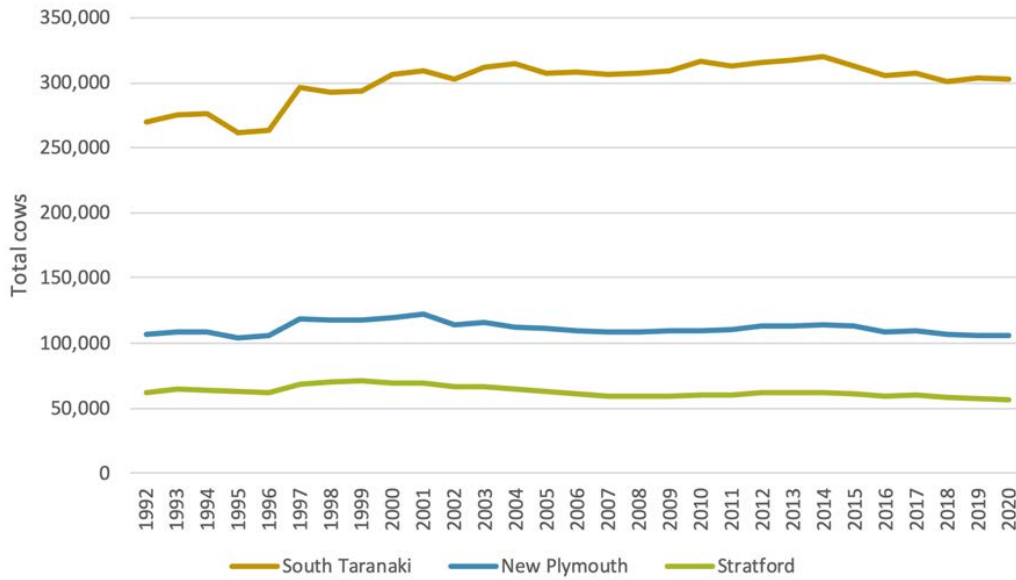


Figure 22: Size of the total dairy herd in each district in Taranaki 1992-2020  
Source data: DairyNZ

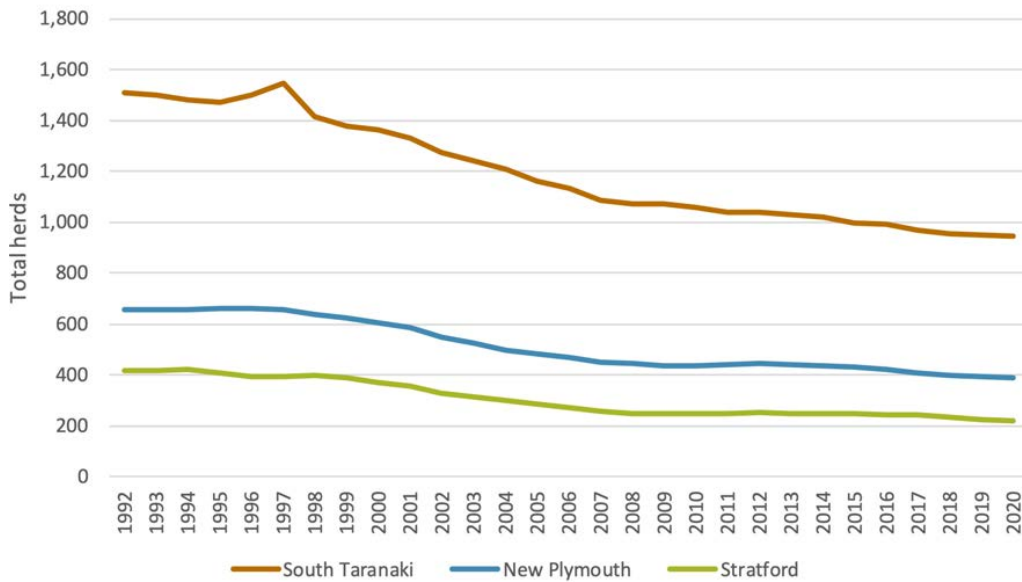


Figure 23: Total number of dairy herds by district in Taranaki 1989-2020  
Source data: DairyNZ

### 5.1.2.2 Farm Systems

The DairyNZ Economic Survey reports on the range in dairy cattle farming across New Zealand. It defines its geographic districts using the 69 territorial authorities across the country. These districts are amalgamated into eight 'dairy' regions, five in the North Island and three in the South Island. Data for national averages are weighted by the regional proportion of herds reported in the New Zealand Dairy Statistics<sup>75</sup>.

DairyNZ broadly groups dairy farms into five farm production systems based on the timing, purpose and amount of imported feed used, which is purchased supplements and/or grazing off for dry cows (winter grazing). There is no region-wide data collected that captures the system type for all farms. However, DairyBase captures a sample of farms that have voluntarily entered data and collects a user defined system type and gives the best estimate of the types of farm systems in Taranaki.

#### Farm System Description

**System 1** – All grass self-contained, all stock on the dairy platform. No feed is imported. No supplement fed to the herd except supplement harvested off the effective milking area and dry cows are not grazed off the effective milking area.

**System 2** – Feed imported, either supplement or grazing off, fed to dry cows. Between one and 10 per cent of total feed is imported. There is a large variation in percentage as in high rainfall areas and cold climates such as Southland, most of the cows are wintered off.

**System 3** – Feed imported to extend lactation (typically autumn feed) and for dry cows. Between 10 and 20 per cent of total feed is imported.

**System 4** – Feed imported and used at both ends of lactation and for dry cows. Between 20 and 30 per cent of total feed is imported onto the farm.

**System 5** – Imported feed used all year, throughout lactation and for dry cows. Between 25 and 40 per cent (but can be up to 55%) of total feed is imported.

Lactation starts with calving. The planned start date<sup>76</sup> for calving in Taranaki is between the 20th and 25th of July, which is similar to Manawatū and Wairarapa but a week or so later than Waikato and the western uplands (Dairy Statistics, 2022-23). However, the farmers interviewed highlighted the range: "The seasons in Taranaki are quite different, down at Manaia, Kaupokonui, and Otakeho, they are calving in early to mid-June while further up it is in August." The median calving date (i.e., the mid-point), which indicates the distribution of spread of calving within a herd, is the middle of August.<sup>77</sup>

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<sup>75</sup> The New Zealand Dairy Statistics (LIC & Dairy NZ) have been compiled in their current form since the 1990-91 production season.

<sup>76</sup> The planned start of calving date is 40 weeks from the date that mating is started in a herd (Dairy Statistics, 2022-23).

<sup>77</sup> Dairy Trust Taranaki is currently undertaking a trial on the benefit of autumn calving on their Kavanagh Farm (one of four in the region). Autumn calving is becoming popular along the coastal belt of Taranaki in response to the summer dry and improving winter pasture growth rates over the past 20 years, and premiums paid for winter milk. <https://www.dairytrusttaranaki.co.nz/dtt-kavanagh/>

In general, dairy farm businesses in Taranaki do not tend to be diversified. Additional revenue streams are small and usually focused on dairy support or raising beef calves. None of the farmers interviewed had any other enterprises within their farm business. Also related to farm systems, the farmers interviewed considered herd homes or winter barns as being fairly uncommon in Taranaki and those that did exist tended to be of the 'Redpath'<sup>78</sup> type (rather than the more traditional European structures) and on the larger farms.



*Image 31: Jersey calves with a hay feeder on a farm in South Taranaki  
Photo credit: Laura West*

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<sup>78</sup> <https://redpath.co.nz/dairy-animal-housing/dairy-housing/>



### 5.1.2.3 Key Dairy Statistics

For the past 30 years, dairy land (milking platform) in Taranaki has ranged between 160,000 and 180,000 effective hectares<sup>79</sup>. This steadiness reflects both the mature nature of the dairy industry in Taranaki and limited additional land available for dairy growth. However, during this time dairy farms have increased in both scale and intensity. Table 13 and Figure 24 shows changes in the total number of cows, total effective area, and total milksolids from 1989 and 1992 respectively (1989 was the earliest year for which data was available but 1992 is used for the time series information in Figure 24 because there was a break in the data for Stratford District in 1990 and 1991).

Since 1989 there was a 38 per cent decline in the number of herds and an 11 per cent increase in total effective area across Taranaki. Alongside these changes, the average size of a dairy farm in the region grew 80 per cent, albeit from a small base, from 60 to 108 effective hectares. Similarly, average milksolids per effective hectare increased 64 per cent from 714 kg to 1,162 kg.

Table 13: Key dairy statistics by district in Taranaki – 2020 compared to 1989

District	Total herds		Total cows		Total effective area (ha)		Total milksolids (tonnes)	
	2020	Change from 1989	2020	Change from 1989	2020	Change from 1989	2020	Change from 1989
New Plymouth	389	-40%	105,976	+16%	40,408	+8%	42,269	+66%
Stratford	221	-47%	56,856	-8%	21,269	-19%	23,773	+44%
South Taranaki	943	-35%	303,064	+31%	105,490	+16%	128,270	+91%
Regional total	1,553	-38%	465,896	+24%	167,167	+11%	194,312	+80%

Source data: DairyNZ

<sup>79</sup> Using DairyNZ data. No data was supplied for total area, but this topic is returned to in Section 5.1.2.7 where it is estimated that, based on assumptions about support land and non-effective area, total dairy land in Taranaki may be roughly 236,000 total hectares.

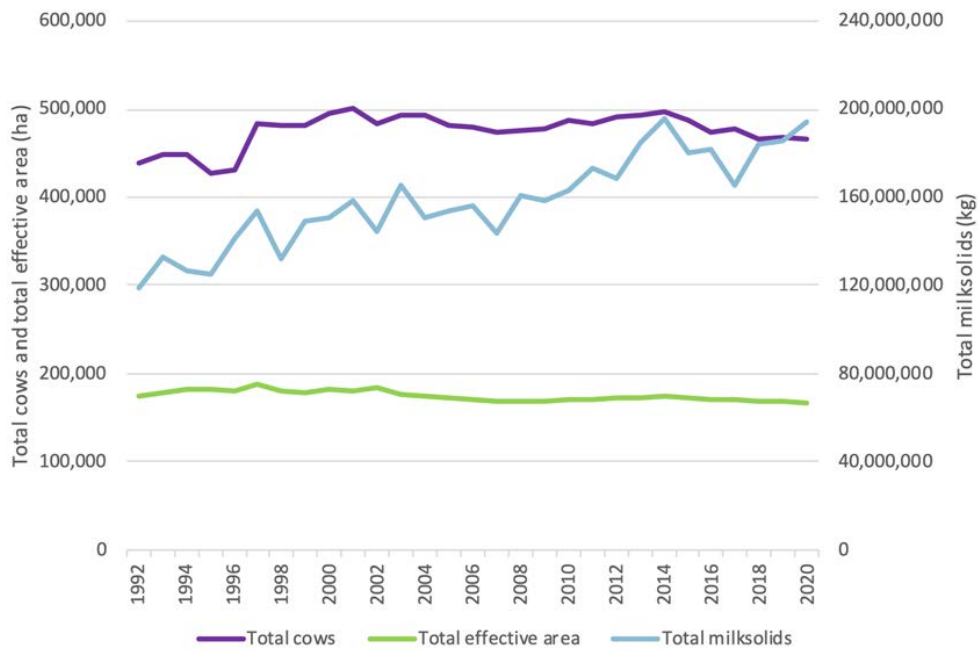


Figure 24: Change in key dairy statistics in Taranaki 1992-2020  
 Source data: DairyNZ

Stocking rates dropped sharply and then grew during the 1990s and have been fairly stable since 2002. The reasons for the fluctuations between 1993 and 2003 are likely to be complex but may be partly related to severe droughts across parts of New Zealand. During this period some dairy farmers shifted to the South Island as dairying expanded there. In 2020 the average stocking rate in Taranaki was roughly 2.8 cows per effective hectare, similar to the national average (but higher than the 2.5 cows per hectare for Taranaki in 1992). Stocking rates vary between districts (Figure 25) with reasonable distributions depending on farm systems. The conversion from dairy cattle to stock units depends on the age and breed of cow. In general terms, a Jersey cow is a lighter breed and so fewer stock units than a Holstein-Friesian, which is a heavier breed.

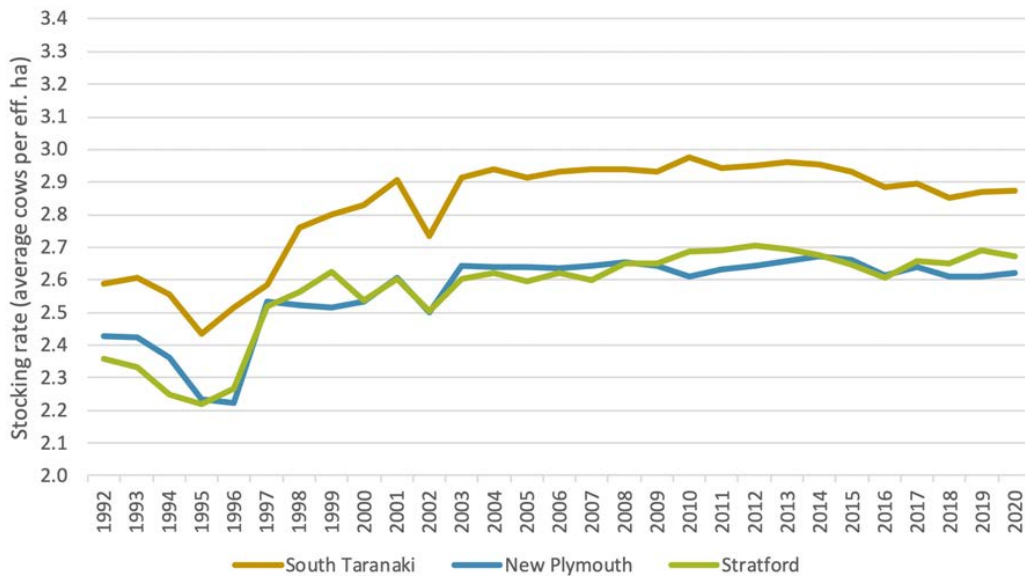


Figure 25: Dairy farm stocking rates by district 1992-2020

Source data: DairyNZ

Note: To show more detail, the vertical of y-axis begins at two cows per hectare (not zero).

Over recent years, farmers have been increasingly shifting from Holstein-Friesian to Holstein-Friesian/Jersey crossbred cows to benefit from the efficiencies of hybrid vigour and get the best traits from the two main dairy breeds<sup>80</sup>. Figure 26 shows the distribution of cattle breeds in Taranaki. Traditionally, many of the dairy herds in Taranaki were Jersey, and while it is still a relatively common breed compared to other regions, the breed is far less prominent than it once was. One farmer interviewed thought the shift to Friesians had largely occurred in the 1970s and 1980s and identified relevant factors as their efficiency in converting feed to milksolids and the growing market for dairy beef. “Crossbreds are popular and you need Jerseys to have crossbreds.”

Another farmer commented that Holstein-Friesians are popular with sharemilkers and are worth more when sold, which is an important consideration (particularly for sharemilkers)<sup>81</sup>. The third farmer noted that Jerseys suit the climate: “Our farm is fairly high up the mountain and we like their lighter feet.” They also commented that farmers occasionally use Ayrshire because “it has a bit more get up and go for the cold that occurs at altitude”. However, the breed is not as saleable because it produces relatively less milkfat, protein, and milksolids than Holstein-Friesian/Jersey crossbreed.

<sup>80</sup> In total, just under 60% of all dairy cows were Holstein-Friesian/Jersey crossbreed, followed by Holstein-Friesian cows (24.4%) and Jersey cows (7.6%) (Dairy Statistics, 2022-23).

<sup>81</sup> Holstein-Friesians can also earn more from dairy-beef calf sales.

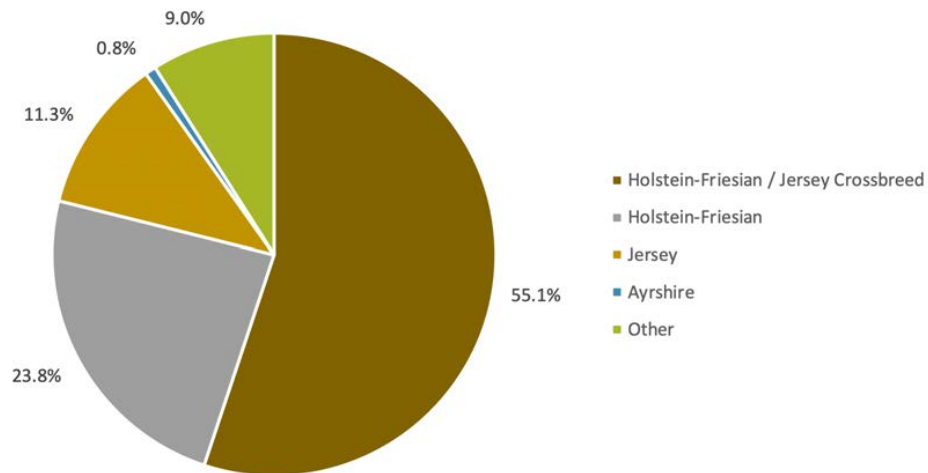


Figure 26: Distribution of dairy cattle breeds in Taranaki for 2022-23  
Source data: Dairy Statistics 2022-23

From 1992 to 2020, total milk production<sup>82</sup> in Taranaki increased by roughly 76,000 tonnes of milksolids (+64%) from roughly 119,000 tonnes to 194,000 tonnes (a compound average annual growth rate of 0.91%). However, this increase in production did not occur evenly between districts and needs to be considered alongside the changes in total effective area (reported above in Table 13): New Plymouth (+50%), Stratford (+44%), and South Taranaki (+73%) (Figure 27). Over this time period, average milk production in the region (measured as kg MS/eff. ha) increased by 71 per cent from 679 kg in 1992 to 1,162 in 2020. While average milk production is generally higher in South Taranaki, the rate of increase over time was fairly consistent across the three districts (Figure 28).



Image 32: Feeding out supplementary feed during unseasonal October snow in 2022  
Photo credit: Laura West

<sup>82</sup> Production is a measure of output. A farm's productivity is its outputs divided by its inputs (i.e., the resources used in production).

It is the combination of the physical performance of the farm reflected through milksolids production, the average cost of production, and milk prices that drives a farm's financial results (DairyNZ Economic Survey, 2013-14). Key physical indicators include the amount of feed eaten, days in milk, cow condition, reproduction performance, soil fertility, and fertiliser use. Some of these indicators are within a farmer's control while others are more dependent on seasonal conditions, which can change markedly from one production season to the next. To illustrate the point, a summary of five years' seasonal conditions for Taranaki from 2013-14 to 2017-18 is included in Appendix 7.2.

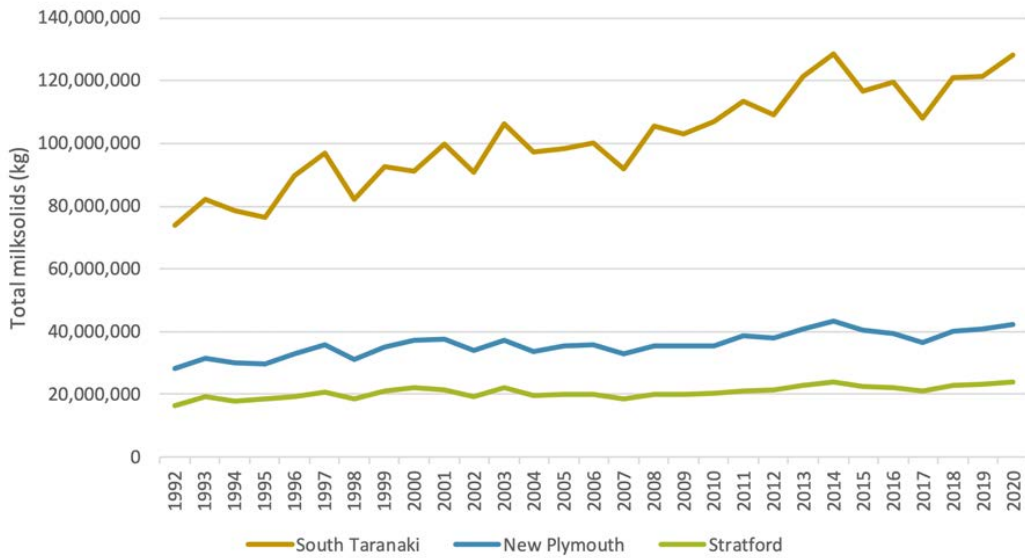


Figure 27: Total milk production by district in Taranaki 1992-2020  
Source data: DairyNZ

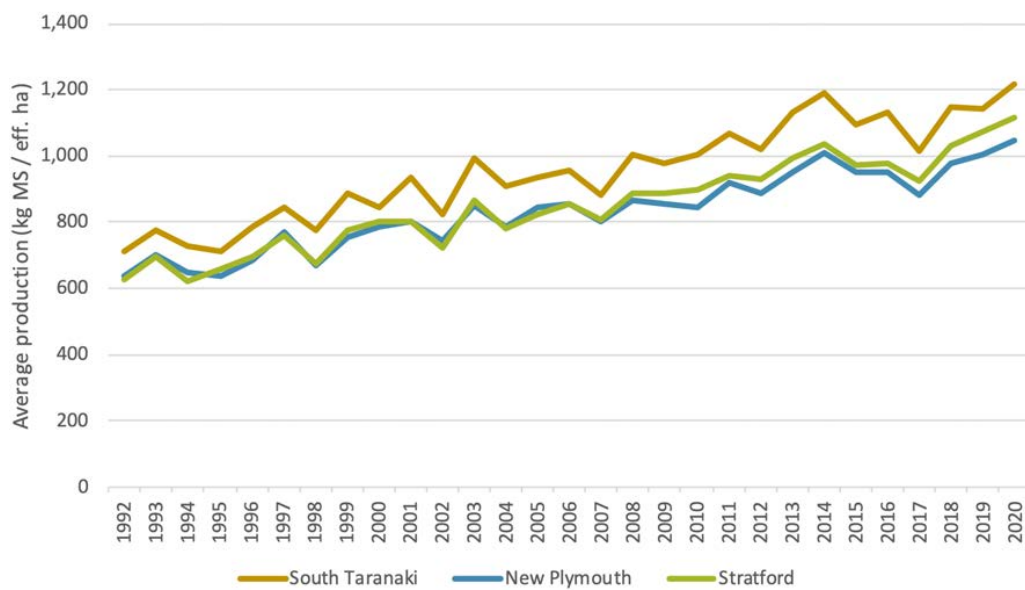


Figure 28: Average milk production by district in Taranaki 1989-2020  
Source data: DairyNZ

Dairy farmers in Taranaki have a high uptake of herd testing<sup>83</sup>, with 1) 81 per cent of herds tested and 2) 85 per cent of cows within a herd tested respectively (Dairy Statistics 2022-23)<sup>84</sup>. Farmers use herd testing to collect information about individual cows within their herds. This information is important for effective herd management and benchmarking animal performance. It gives an understanding of production to identify low-producing cows (for removal from the herd or drying off), high producers (for breeding), and udder health (for therapy or removal). In 2022-23, the median annual expenditure per hectare by owner-operators on breeding and herd improvement was \$196 and \$214 by sharemilkers (New Zealand was \$201 and \$204 respectively).

A dairy farm's operating profit is usually measured as Earnings Before Interest and Tax (EBIT). Essentially, it is equivalent to total farm revenue minus its operating expenses. In 2021-22, owner-operator farms in Taranaki recorded the third highest average operating profit on a per effective hectare basis (\$4,114), after Canterbury (\$5,950) and Otago-Southland (\$4,118). However, Taranaki also recorded the lowest total returns on assets in New Zealand (4.6%)<sup>85</sup>, the highest average term debt per kilogram of milksolids (\$31.70), and the highest debt to asset levels (55.1%) (DairyNZ Economic Survey 2021-22<sup>86</sup>)<sup>87</sup>. Dairy farms in Taranaki are often supporting multiple generations of a family, which can influence farm debt levels<sup>88</sup>.

Table 14 and Table 15 give median farm financial information for the most recent five years for which data was available. Table 15 compares operating profit per effective hectare with New Zealand for context. While the per hectare basis adjusts for differences between farm size, the whole farm measure is an equally relevant consideration, particularly given the smaller farms in Taranaki. Although not reported in the table, the region's median farm working expenses (FWE) per kilogram milksolids produced are consistently the lowest in New Zealand over recent years.

As a five-year averages from 2018-19 to 2022-23:

1. The median farm working expenses for New Zealand were \$4.89/kgMS and ranged from \$4.44 in Taranaki up to \$5.27 in Northland.
2. The median breakeven milk price in Taranaki has been 93 per cent of the median payout received in the region.

"The View from the Cow Shed" survey conducted by DairyNZ in early 2023 found that nearly 20 per cent of farmers have experienced 'on-farm' inflation rates (e.g., feed, fertiliser, equipment) exceeding 40 per cent in the past year, and an additional 55 per cent have faced inflation ranging between 20 per cent and 40 per cent (DairyNZ, 2023).

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<sup>83</sup> Herd improvement has played an important part in the raising of dairy cattle in Taranaki since at least the 1920s (Richards & Richards, 1995). The first systematic herd testing occurred in Taranaki in the 1906-07 season and the first cow testing associations were formed in Taranaki at the end of World War I. The region's first artificial breeding group was established in 1949.

<sup>84</sup> Wairarapa had the highest share of herds using herd testing (83.4%), followed by Taranaki (81.3%). Otago had the highest share of cows that are herd tested (87.3%), followed by Taranaki (85.4%) and North Canterbury (85.2%).

<sup>85</sup> In 2021-22, 50/50 sharemilkers in Taranaki also recorded the lowest total returns on assets (17.5%). The reasons for lower returns on assets can vary, from lower profitability to reduced capital values.

<sup>86</sup> The latest report available at the time of writing.

<sup>87</sup> In 2021-22, the West Coast - Top of the South (i.e., Tasman, Nelson, and Marlborough) had the lowest average term debt per kilogram of milksolids (\$14.65) and the lowest debt to asset levels (40.0%).

<sup>88</sup> An in-depth discussion of farm debt, and freshwater management in relation to dairy farming is available in Moran, McDonald, and McKay (2022).

Table 14: Median values for farm financials by milksolids for five years from 2018-19 to 2022-23

Region	2018-19	2019-20	2020-21	2021-22	2022-23
Taranaki – Payout Received (\$/kg MS sold)	\$6.34	\$7.03	\$7.37	\$9.27	\$8.83
Taranaki – Breakeven Milk Price (\$/kg MS sold)	\$6.51	\$6.55	\$6.51	\$7.97	\$8.45
Taranaki – Farm Working Expenses <sup>89</sup> (\$/kg MS sold)	\$3.90	\$4.04	\$4.02	\$5.19	\$5.07
New Zealand – Farm Working Expenses (\$/kg MS sold)	\$4.32	\$4.49	\$4.56	\$5.45	\$5.65

Note: Payouts received and breakeven milk prices vary by farm and by region.

Table 15: Median values for farm financials by effective area for five years from 2018-19 to 2022-23

Region	2018-19	2019-20	2020-21	2021-22	2022-23
Farm Working Expenses (per farm)	\$452,433	\$477,373	\$503,447	\$620,099	\$621,754
Farm Working Expenses (per eff. ha)	\$4,262	\$4,451	\$4,677	\$5,687	\$5,716
Gross Farm Revenue (per farm)	\$797,621	\$888,989	\$982,834	\$1,172,040	\$1,143,860
Operating Expenses (per farm)	\$568,937	\$603,919	\$640,515	\$778,483	\$780,189
Operating Profit (EBIT per farm)	\$228,684	\$285,070	\$342,319	\$393,557	\$363,672
Interest and Rent (excl. support block) <sup>90</sup> (per farm)	\$170,541	\$166,989	\$146,150	\$141,229	\$207,745
Tax (per farm)	\$23,994	\$36,622	\$48,560	\$85,123	\$76,385
Taranaki (EBIT/eff. ha)	\$2,154	\$2,658	\$3,180	\$3,609	\$3,344
New Zealand (EBIT/eff. ha)	\$1,879	\$2,377	\$2,829	\$3,644	\$2,873

Source data: DairyNZ Econ Tracker

Note: Unless otherwise specified, the data reported is for Taranaki dairy farms (owner-operators).

<sup>89</sup> Before adjustments for livestock, labour, feed, support blocks, and depreciation.

<sup>90</sup> Support block lease is included in Farm Working Expenses.

#### 5.1.2.4 Farm Size and Land Versatility

There is substantial variability in the size of dairy farms in Taranaki as well as their biophysical characteristics (e.g., topography, soils, rainfall). Using StatsNZ data, just over half of the 1,290 farms (54%) ranged in area from between 100 and 400 hectares. However, many farms (37%) are smaller scale operations. In contrast, 30 farms have an area of between 400 and 600 hectares and an additional 15 farms are in excess of 600 hectares (Figure 29). This regional pattern differs by district, with Stratford District tending to have a higher proportion of farms with less than 100 hectares (44%).

Overall, these results are broadly consistent with the available DairyNZ data, which indicates that in 2020 the average effective area of dairy farms in the region was 108 hectares. A dairy farm’s effective area is the land within the milking platform that the milking herd grazes (including any crop even if used for wintering)<sup>91</sup>. Average effective area ranged from 96 hectares in Stratford, to 104 hectares in New Plymouth, and 112 hectares in South Taranaki.

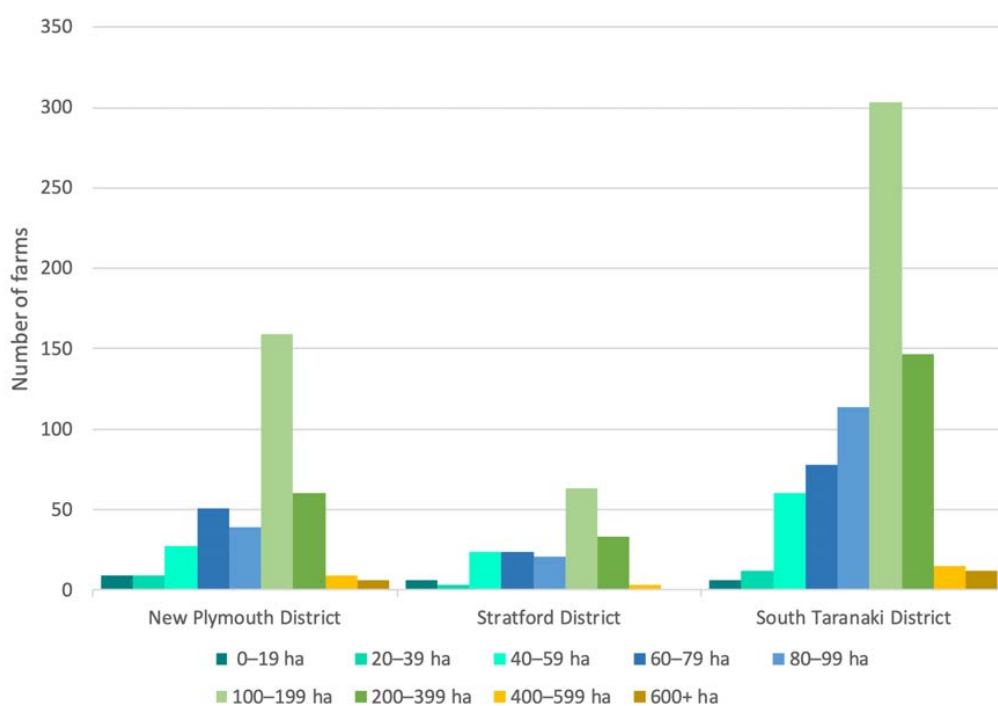


Figure 29: Distribution of dairy ‘farms’ by farm size (total hectares) and district in Taranaki in June 2022  
Source data: StatsNZ Agricultural Production Statistics

<sup>91</sup> StatsNZ data does not include a house or laneways, while the LUCAS NZ land use data does.



Figure 30 shows how the size of dairy farms (measured using effective area) has increased over the last 30 years for each of the three districts in Taranaki. As a region, Taranaki had the second smallest average herd size in 2022-23 with 314 cows (Auckland was the smallest with 283 cows). Average herd sizes in the North Island are considerably smaller than in Canterbury, Otago, and Southland<sup>92</sup>.

A farmer interviewed noted: “Scale is increasing but if you compare it with the rest of the country, especially Southland and Canterbury, many of our farms are still quite small. A big farm here would be 500 to 600 cows and you’re probably talking less than 200 cows for a small farm.” All of the farmers interviewed saw increasing scale as having consequences for farm ownership. One explained: “There are a lot of small farms for sale and it appears that quite a few are being bought up by their neighbours. I know of a recent example with roughly 300 cows that would have been perfect for a first farm buy but their neighbours bought it and were able to pay a higher price than others because they already had the equity in their other farm. However, there are still quite a lot of small farms in Taranaki, which makes the region fairly unique.” Farm ownership is returned to as a topic in the next section.

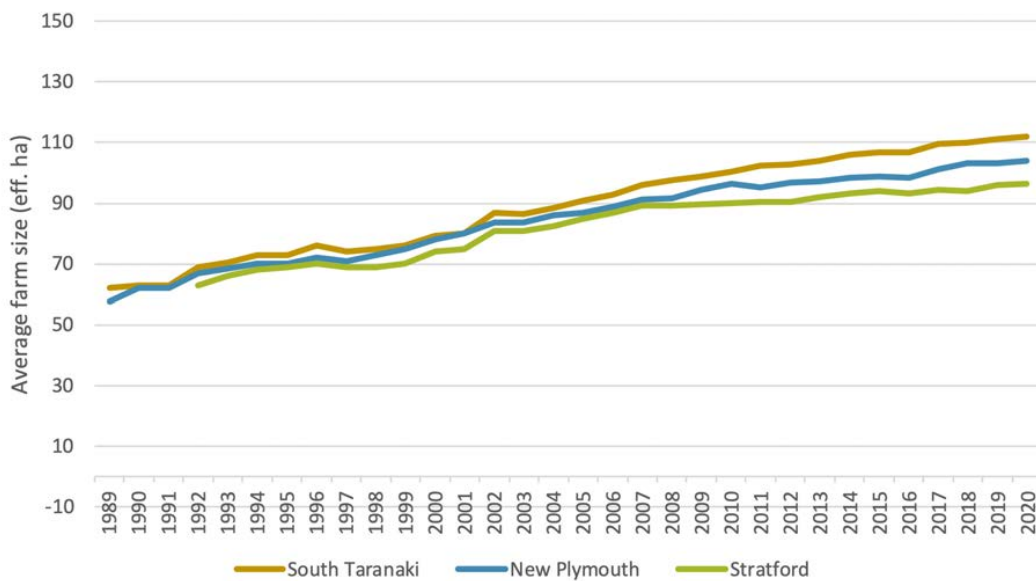


Figure 30: Average dairy farm size by district in Taranaki 1989-2020  
Source data: DairyNZ

Production land is not all equal. Its versatility varies markedly across the landscape and a farm can contain land that falls into more than one Land Use Capability (LUC) Class (refer to Section 2.4 for more information). Typically, across New Zealand LUC Class 1-4 is preferred for dairy farming. However, in Taranaki it has a wide distribution across the LUC Classes: an estimated 32 per cent is on LUC Classes 1 and 2, 48 per cent is on LUC Classes 3 and 4, while 20 per cent is on LUC Classes 5 and above (Figure 31). Much of the LUC Classes 1 and 2 is located south of Taranaki Maunga, and examples of LUC 5 dairy land can be found to the west of Taranaki Maunga (around Pungarehu) while LUC 6 dairy land occurs just to the south (inland from Opunake) (Image 33).

<sup>92</sup> The Mackenzie District in Canterbury has had the highest average herd size for the last four seasons with 1,102 cows, followed by Ashburton in North Canterbury with 843 cows (Dairy Statistics, 2022-23).

LUC Class 5 land is relatively uncommon in New Zealand<sup>93</sup>. In Taranaki the LUC 5 dairy land tends to be LUC 5b (undulating with 4° to 7° slopes) and 5e (moderately steep 21° to 25° slopes). Possible limitations for production on the LUC Class 5 are slope, shallow soils (e.g., bedrock outcrops), and soil wetness. The latter may result from poor drainage or a high water table, or from frequent overflow from streams or coastal waters. It also may indicate the presence of springs. A key distinction between LUC Classes 1-5 and LUC Classes 6-8 is usually steepness and the limitations for production tend to focus on erosion followed by soils (e.g., those that are shallow, which are classified as either Recent soils or Raw soils).

The farmers interviewed were all of the view that topography has significant implications for farm management. They also commented that most of the dairy farms in Taranaki would be unable to meet conditions relating to slope for intensive winter grazing used in the Southland Water and Land Plan:

- *We've been looking around at farms in different areas and thinking about how we might manage each one. If there are no streams in 100 hectares then suddenly that takes out any riparian fencing or planting you'd need to do, and it means you could put the effluent on wherever. That's not the case here as we have lots of streams and thin strips of paddocks where we can put effluent. We have to shift the irrigator five times to get the same coverage as in the Canterbury Plains where it is up and down once for the whole paddock.*
- *It's probably a hard one in the lahar country too. You can work with rolling land whereas on most of the lahar you wouldn't even drive a tractor across, let alone try and spread effluent. I can't think of anywhere like it in the country to deal with.*
- *Our farm looks flat but if you stand on the top boundary and look down to the bottom boundary there's quite a drop. We're on the side of the mountain and the slope gets steeper the further up you go. Nearly every farm on the Ring Plain is sloping. We have noticed the difference in how rainwater runs through the paddocks with another farm we own up the road. The topography is probably another thing that's unique to Taranaki.*

The farmers were also asked about the use of artificial soil drainage on their farms:

- *A lot of it was done well before we bought the property but there are some Novaflo. I imagine there's probably clay tiles as well, I'm not too sure. Yes, just about every paddock has a riser – lots of drainage.*
- *Most of it is free draining soils and that makes a huge difference, but on our farm we have maybe five or six paddocks that have drains underneath.*
- *We've got a lot. The bulk of it is old clay tiles but it's slowly getting replaced as they age and fail.*

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<sup>93</sup> Examples of other localities where more sizeable areas of LUC 5 land occur are around Te Kuiti (Waikato), between Waipukurau and Hastings (Hawkes Bay), south of Masterton (Greater Wellington), and between Mataura and Owaka in the Catlins (Otago). [https://ourenvironment.scinfo.org.nz/maps-and-tools/app/Land%20Capability/lri\\_luc\\_main](https://ourenvironment.scinfo.org.nz/maps-and-tools/app/Land%20Capability/lri_luc_main)

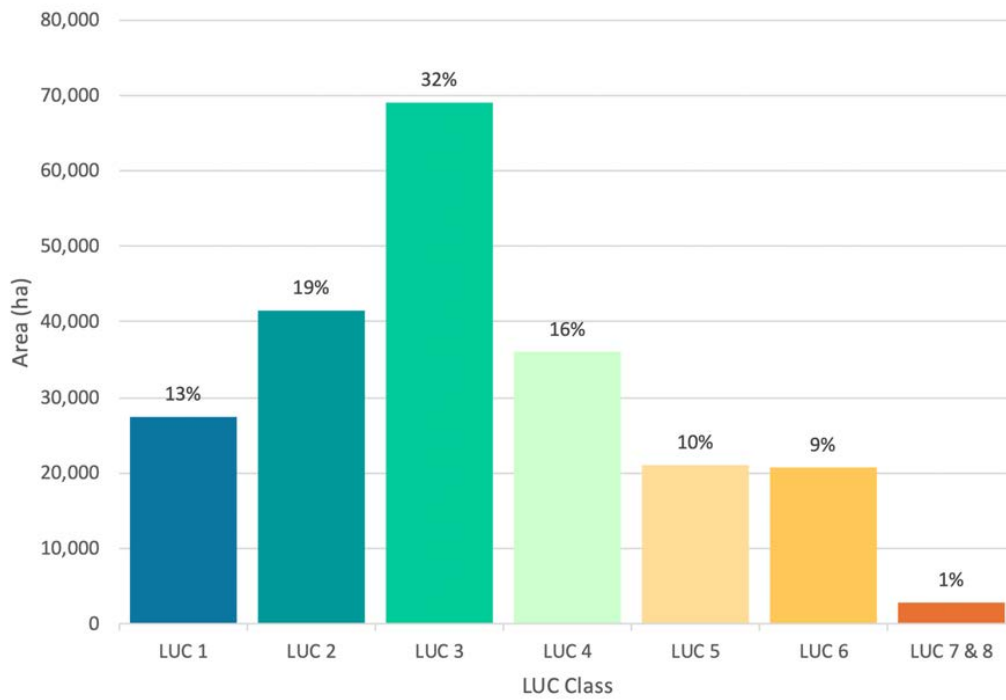


Figure 31: Figure 31: Distribution of land used for dairy farming by Land Use Capability Class in Taranaki  
 Source data: Pearson Environmental

The farmers interviewed observed that there is a wide range in land values for dairy farms in Taranaki, anecdotally between \$40,000 and \$70,000 per hectare. The main factors contributing to variability they identified were altitude, farm size, and soil type and location (close to townships). They were of the view that “There is no typical Taranaki farm” and noted that the climate can be completely different within a short distance. One farmer commented that there was a 120 metre difference in altitude between the bottom of their farm and the top. They highlighted the differences in calving dates as an example of why “setting rules around calendar months would be a concern in Taranaki.”

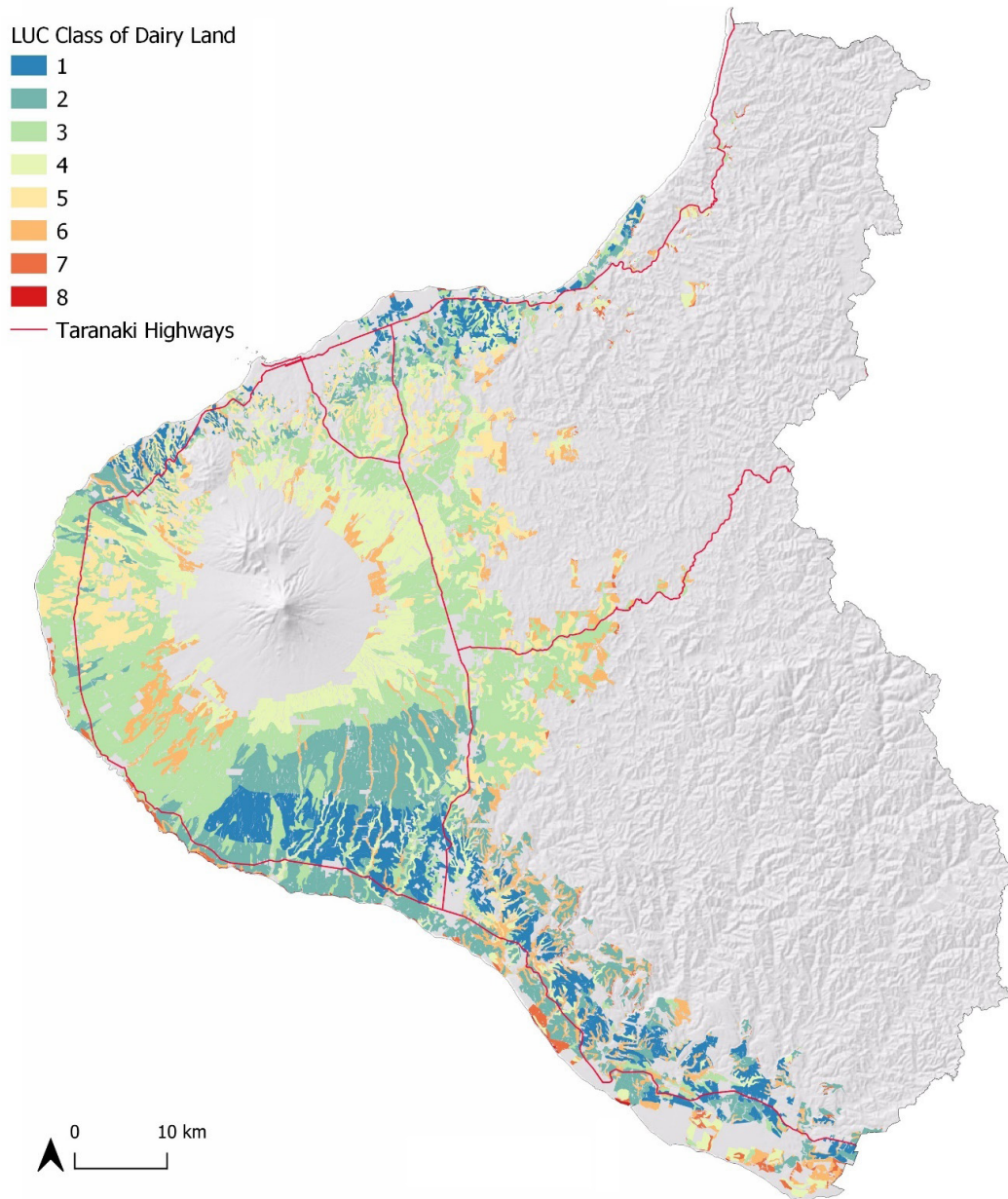


Image 33: Land Use Capability Classes for dairy land in Taranaki  
Source: Pearson Environmental

### 5.1.2.5 Farm Ownership, Sharemilking, and Labour

Dairy farms have a range of ownership structures and management arrangements. An owner-operator either owns, or leases, both the herd and the land. A farm owner may also use a contract milker to manage a farm. A contract milker is self-employed, usually providing labour, shed costs, electricity and vehicles, and is paid on a negotiated set price per kgMS (milksolids) produced. In contrast, a herd-owning sharemilker, or '50/50' sharemilker, owns the dairy herd and generally any equipment (other than the milking plant) needed to farm the property but not the milking land (generally referred to as the milking platform). In practice, they may receive between 45 per cent and 55 per cent of the milk revenue. Variable or lower order sharemilkers are paid based on a set percentage of milk revenue<sup>94</sup>.

Changes to farm operating structures over the past decade have seen the proportion of sharemilkers decrease in New Zealand from 34 per cent of total herds in 2013-14 to 29 per cent in 2022-23 (Dairy Statistics, 2022-23). Taranaki has seen this proportion decrease from 41 per cent to 31 per cent of total herds over the same time period, with more change in variable order sharemilker herds than 50/50 sharemilker herds. These changes have occurred alongside the increasing scale discussed in the previous section.

In 2022-23, Taranaki had a similar ratio of owner-operator herds, contract milker herds, and sharemilker herds (55:14:31) as in Southland (54:15:31), although the herd size in Taranaki is smaller, and contrasted with neighbouring Manawatu (66:13:21) (Figure 32). Within the region, the ratio is more similar between New Plymouth District (56:12:32) and South Taranaki District (53:16:31) than Stratford District (64:11:25). There are relatively more opportunities for sharemilking in South Taranaki than the other two districts because of the larger number of herds and larger herd sizes (Figure 33).

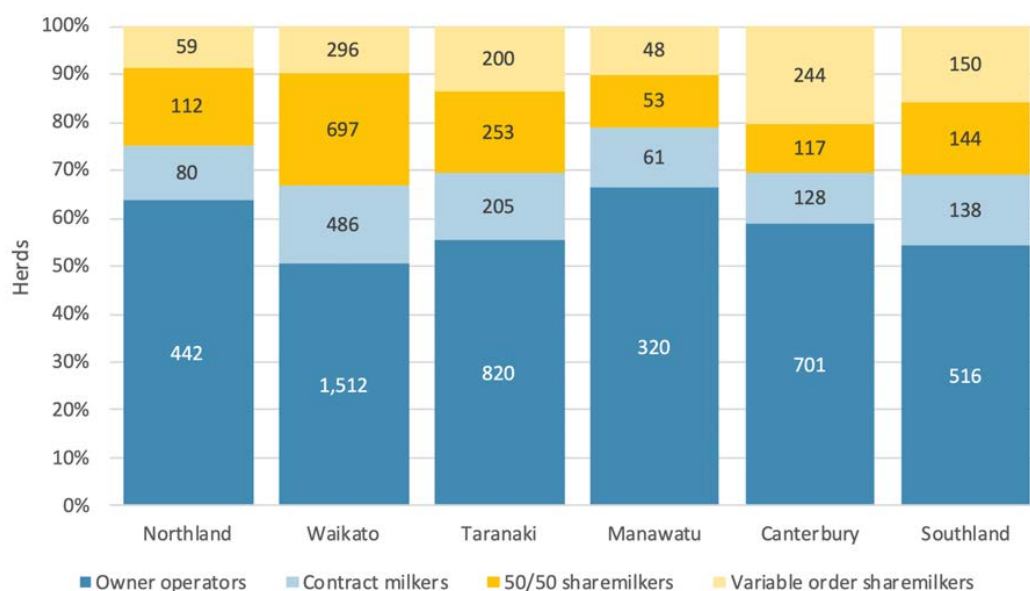


Figure 32: Distribution of operating structures in large dairying regions in New Zealand 2022-23  
Source data: LIC and Dairy Statistics 2022-23

<sup>94</sup> The sharemilker is usually responsible for milk harvesting expenses, labour, stock-related expenses, and general farm work while the owner is usually responsible for expenses related to maintaining the property and may have little to do with farm management. A variable-order sharemilking agreement involves the farm owner retaining ownership of the herd and bearing more of the farm costs, such as animal health and breeding. It often sees the owner retain some involvement in management of the farm. The amount of farm work required by the sharemilker is determined by the individual agreement, with responsibility ranging from herd management only to carrying out all farm work (Dairy Statistics 2022-23).

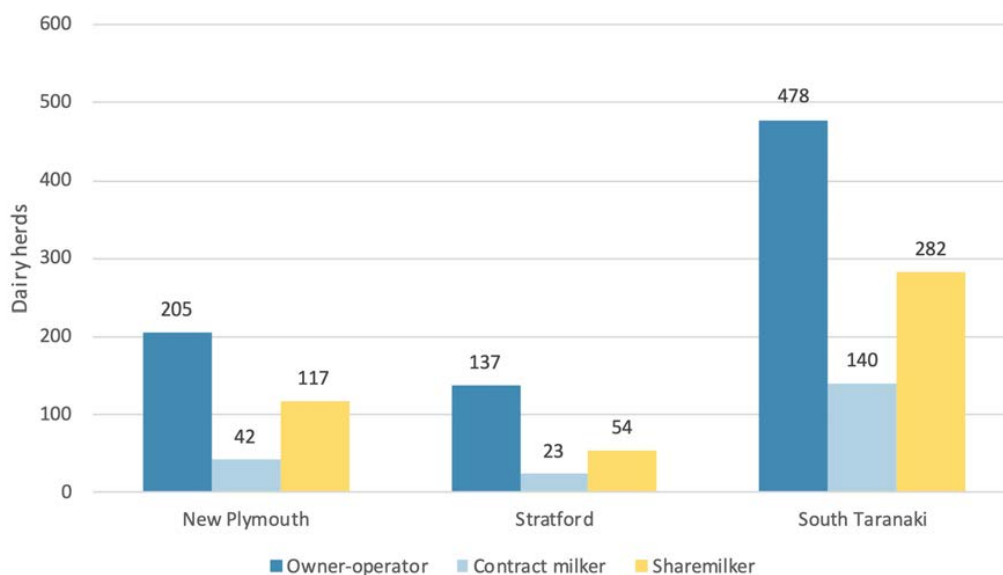


Figure 33: Distribution of dairy herds by operating structure and district in 2022-23  
Data source: LIC and DairyNZ Dairy Statistics 2022-23

The farmers interviewed were concerned about the shift in Taranaki away from sharemilkers to the use of managers and contractors, especially within the larger farm businesses. One farmer suggested that the prices being paid for farms meant that some farm owners are less likely to be able to afford to put a 50/50 sharemilker or a good variable order sharemilker on a property. Another highlighted that there are risks for some sharemilkers from having to keep their herd ‘sellable’.

Two of the farmers had personal sharemilking experience:

- *We went sharemilking in the early 1990s to buy our first farm. It took five years but we had to continue sharemilking for 10 years afterwards. Our loan was conditional on it until we could afford to go and live and work on our own farm. For cashflow reasons, we had three small sharemilking positions for a total of 200 cows with another 180 cows on our own property. It wasn't exactly easy but there were definitely more sharemilking jobs around although it was really hard to get jobs with any scale.*
- *It's not as easy to get a sharemilking job. People will often stay in a good one for a long time, which makes it hard for others. We compared equity, leasing and share milking options for a roughly 300 cow farm and sharemilking came out on top. It has more risk but the benefit is there if the payout is right and you can keep your costs down, which is why we're a lower input system (System 2 with a stocking rate of 2.9 cows / eff. ha). We're all KiwiCross cows (Friesian x Jersey), have had their DNA tested, and are pushing their body weight up into the top 10% to increase the herd's value.*

They suggested that the lack of sharemilking opportunities was becoming an issue for farm succession. A farmer commented on how their perspective changed going from contract milking to sharemilking:

- *Suddenly those cows became critically important. It is not that we were treating the cows any differently but my attitude around how we can get the best out of them changed, and we're probably improving animal welfare as a result. Having an interest in the business is what makes people want to keep succeeding. If people can't see that they can take that next step in the future, then it makes it really hard for them to want to be there.*

Sharemilking was viewed as the preferred pathway for being able to earn cash to buy land. Equity shares were mentioned as an alternative pathway but one that was slower, particularly "if their growth is lower than the interest rate they're paying on their mortgage."

There was also a view that there were few options for farm owners as the value of their Fonterra shares has declined since 2021 and interest rates have increased. One farmer explained that "Some farmers may just have to keep working a farm by themselves because it might be too small to put on a sharemilker. Some small farms have moved out of dairying to either grazing or to some other land use."

- *Based on previous work experience, with the smaller farms there are a lot of intergenerational farms compared with other regions and farm owners are getting older than they were and they're getting to retirement age but many can't afford to put anyone else on the farm or buy a house in town unless they sell the farm. If your farm is small then it'll probably be sold as a runoff or to become part of another farm.*

Median annual expenditure on wages for dairy farms (owner-operators) in Taranaki in 2022-23 was just under \$69,000 per farm, an increase of 44 per cent from 2018-19. Based on median per hectare, expenditure on wages in Taranaki has generally been lower than for New Zealand as a whole, although it has increased markedly in the region since 2018-19 (Table 16) (noting that median farm size in Taranaki also increased from 106 to 109 effective hectares). Wage expenses per kg of milksolids are also low in Taranaki (\$0.56 compared to \$0.75 for New Zealand)<sup>95</sup>, which may mean owner-operators need (or can afford) less help (possibly as a result of the smaller farm sizes) and/or paying lower wage rates than elsewhere. DairyNZ have forecast wage expenses to continue increasing in the next two seasons. Occasionally, a farm worker will be employed to allow a family member to take up an off-farm position.

Median annual expenditure on wages for dairy farms (50/50 sharemilkers) in Taranaki in 2022-23 was just over \$59,000 per farm, a 100 per cent increase from just under \$30,000 in 2018-19.

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<sup>95</sup> This equates to 11.0% of Farm Working Expenses in Taranaki compared to 13.3% for New Zealand.

Table 16: Dairy farm (owner-operator) median annual wage expenses from 2018-19 to 2022-23

Region (eff. ha unless otherwise stated)	2018-19	2019-20	2020-21	2021-22	2022-23	Change since 2018-19	2022-23 as share of FWE
Taranaki (per farm)	\$48,000	\$48,000	\$54,000	\$66,000	\$69,000	+44%	11%
Taranaki	\$448	\$444	\$501	\$606	\$631	+41%	11%
Waikato	\$621	\$656	\$653	\$683	\$787	+27%	12%
Lower North Island	\$699	\$730	\$707	\$799	\$983	+41%	17%
Canterbury	\$1,051	\$1,085	\$1,157	\$1,171	\$1,272	+21%	16%
Otago-Southland	\$754	\$784	\$902	\$889	\$851	+13%	12%
New Zealand	\$686	\$715	\$750	\$779	\$837	+22%	13%

Source data: DairyNZ Econ Tracker

Note: FWE is Farm Working Expenses in Table 15.

Comments on labour from the farmers interviewed were:

- *I would say that two full time and 1 part time plus farm owner is about right for our size farm (200+ eff. ha). You need an extra person to cover days off, illness, and leave. We want to be a workplace that people enjoy working in and have time to learn. We don't want them (or us) to be absolutely exhausted. A few smaller farms will have employees to help as the owner/operator gets older and wants to take a step back but still be active on their farm.*
- *We share milked by ourselves for a year and, with a young family as well, it was almost the end of us. So, we decided to employ someone over spring and now we share a worker with a neighbouring farm. When you're looking at a farm as an economic unit you need enough staff to be able to have a break but not more than you can afford. It can be really difficult to figure out what is going to work when you are looking at different farms. There are smaller farms that you wonder whether it's economical, especially with the price of land.*
- *We don't have any staff because with a smaller farm we can usually cope without them. We're changing the infrastructure to get it down to a one-person operation outside of the calving period but we still got a few improvements to do. Things like cup removers and in-shed feeding as well as automatic calf feeders, that's a huge labour saving just there.*



#### 5.1.2.6 Feed and Fertiliser

Other than the herd, land (interest and rent), and wages, the two biggest expenses for dairy farmers are feed (including off-farm grazing) and fertiliser.

Farmers make strategic and tactical decisions in relation to supplementary feed. Strategic decisions are longer term and relate to the choice of farm system, which is based on the level of imported feed, while tactical decisions are made as farmers respond to seasonal conditions. Dairy farmers in Taranaki do not face the same challenges over winter as those in the lower South Island but pasture growth can be affected by drier summers, particularly in South Taranaki. In the lower South Island, the challenges include cold and extremely waterlogged soils and reduced pasture growth, which leads to more grazing off the milking platform, and more frequent use of stand-off pads and barns.

The dairy industry's use of supplementary feed in Taranaki since 1990 (including Figure 34)<sup>96</sup> was summarised as:

*Use of total supplements (non-pasture feed) increased from three per cent to 22 per cent over the 28 year period. Pasture eaten per cow was constant but variable season to season depending on the climatic conditions. Unlike many other dairy regions, pasture eaten per hectare was also fairly constant since the late 1990's reflecting little change in stocking rates. Crops eaten per cow (predominantly turnips) was constant until about 2013-14 when fodder beet emerged in the region and resulted in an increase in crop eaten per cow. Harvested and imported supplements also increased over this period.*

*Palm Kernel Extract (PKE) imports into New Plymouth increased from 2007-08 and is now the most widely used non-pasture feed. From the mid-2000's maize silage increased and has remained at this elevated level. Other supplements included molasses, proliq<sup>97</sup>, and manufacturing by-products. Non-pasture feed varied across the seasons depending on feed type. Fodder beet and turnips are generally summer crops, although some fodder beet is grazed in autumn. Maize silage is an autumn/winter feed while PKE and maize grain are used during spring to keep cow condition during calving.*

*M. Newman (2019, p. 48)*

The increased use of PKE is an industry-wide trend in New Zealand. PKE started to become popular with farmers in 2007-08 due to a high milk price (compared to previous years) and a widespread drought in the North Island, and from then its use only increased (M. Newman, pers. comm., 2024). PKE is imported through a number of ports in NZ, including New Plymouth - from New Plymouth, it is trucked across Taranaki as well as south into Manawatū-Wanganui and Horowhenua (M. Newman, pers. comm., 2024).

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<sup>96</sup> More detailed information is available in the online version of this report: <https://www.mpi.govt.nz/dmsdocument/46231-Feed-Consumed-by-NZ-Dairy-Cows>

<sup>97</sup> PROLIQ is a liquid concentrate stock food prepared from the mother liquor of lactose manufacture. <https://proliq.nz/nz/en.html>

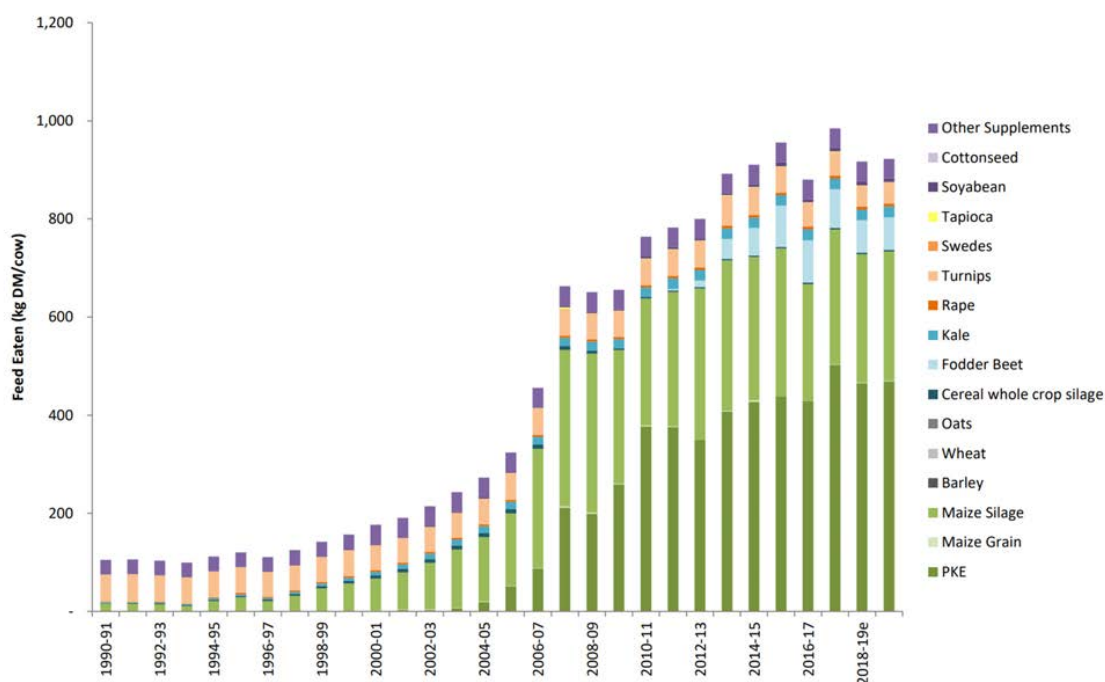


Figure 34: Total feed eaten per dairy cow in Taranaki by supplementary feed type from 1990-91 to 2019-20f

Source: Graph reproduced from Newman (2019)

Note: 2018-19e was estimated rather than actual while 2019-20f was forecast.

Expenditure on supplementary feed per effective hectare in Taranaki increased from \$322 in 2006-07 to \$699 in 2007-08 and, while it decreased in 2009-10, it then increased to \$1,018 by 2011-12 (DairyNZ Economic Surveys 2008-2013). Over the past five years, dairy farmers in Taranaki have tended to spend roughly the same on feed as the median spend across New Zealand as a whole (Table 17). As a five-year average, median net feed expenses in Taranaki were 26.6 per cent of Farm Working Expenses (compared with 24.1% for New Zealand).

Table 17: Dairy farm (owner-operator) median annual expenditure on net feed (made, purchased, and cropped) from 2018-19 to 2022-23

Region (eff. ha unless otherwise stated)	2018-19	2019-20	2020-21	2021-22	2022-23	Change since 2018-19	2022-23 as share of FWE
Taranaki (per farm)	\$123,000	\$127,000	\$127,000	\$167,000	\$168,000	+37%	27%
Taranaki	\$1,161	\$1,185	\$1,183	\$1,532	\$1,548	+33%	27%
Waikato	\$1,346	\$1,407	\$1,508	\$1,907	\$2,050	+52%	32%
Lower North Island	\$943	\$1,033	\$1,066	\$1,291	\$1,247	+32%	21%
Canterbury	\$1,161	\$1,179	\$1,357	\$1,564	\$1,698	+46%	21%
Otago-Southland	\$941	\$1,071	\$1,216	\$1,600	\$1,881	+100%	27%
New Zealand	\$1,053	\$1,133	\$1,214	\$1,510	\$1,641	+56%	26%

Source data: DairyNZ Econ Tracker

Note: FWE is Farm Working Expenses, which were reported in Table 15

As a general rule, for every one effective hectare of dairy platform land there is roughly 0.4 effective hectares of dairy support land but in Taranaki it may be between 0.3 and 0.4 hectares (M. Newman, pers., comm., 2024). Based on this rule, it is estimated that in 2022-23 dairy support land in Taranaki amounted to 50,000 to 65,000 hectares, as dairy platform land totalled just under 161,000 effective hectares<sup>98</sup>. Dairy support land can occur 1) as a run-off block that is owned or leased by a dairy farmer, 2) as a dedicated dairy support farm or 3) as dairy grazing within a drystock farm. It is in addition to any imported supplementary feed used on the milking platform. Median annual expenditure on dairy grazing has stayed relatively constant over the past five years (2018-19 to 2022-23), ranging from a low of \$29,442 in 2020-21 to a high of \$33,762 in 2021-22 per farm (owner-operators).

In general, dairy farmers across New Zealand purchase and apply fertiliser (including nitrogen) strategically (rather than tactically) across pasture and crop. This fertiliser is in addition to spreading stored farm dairy effluent, which is collected primarily from the farm dairy (and includes the milking shed). A farmer interviewed commented that “Our soil types highly bind phosphorus, so we have to put on more than usual for the plant to actually get any.”

Median annual expenditure on fertiliser (consisting of elemental fertiliser and fillers) for dairy farms (owner-operators) in Taranaki in 2022-23 was just under \$73,000 per farm, an increase of 50 per cent from 2018-19, at least partly because of rising costs. DairyNZ have forecast it to decrease in the coming two seasons, likely because of increases in its cost. Median annual expenditure on fertiliser for dairy farms (50/50 sharemilkers) in Taranaki in 2022-23 was just under \$25,000 per farm, an increase of 76 per cent from 2018-19.

To put this fertiliser expenditure in some context, the median per hectare for dairy farming in Taranaki has increased by 50 per cent since 2018-19 but has been generally lower than for New Zealand as a whole (Table 18). As a five-year average, median fertiliser expenditure was 11.2 per cent of Farm Working Expenses in Taranaki (compared with New Zealand 10.7%).

Table 18: Dairy farm (owner-operator) median annual expenses for fertiliser (including nitrogen) from 2018-19 to 2022-23

Region (eff. ha unless otherwise stated)	2018-19	2019-20	2020-21	2021-22	2022-23	Change since 2018-19	2022-23 as share of FWE
Taranaki (per farm)	\$48,000	\$54,000	\$55,000	\$69,000	\$73,000	+50%	12%
Taranaki	\$456	\$508	\$508	\$633	\$668	+46%	12%
Waikato	\$447	\$418	\$449	\$579	\$655	+47%	10%
Lower North Island	\$424	\$384	\$414	\$524	\$533	+26%	9%
Canterbury	\$646	\$690	\$648	\$827	\$901	+39%	11%
Otago-Southland	\$499	\$562	\$574	\$744	\$748	+50%	11%
New Zealand	\$499	\$519	\$525	\$663	\$700	+40%	11%

Source data: DairyNZ Econ Tracker

Note: FWE is Farm Working Expenses, which were reported in Table 15

<sup>98</sup> An estimated range of 210,000 to 225,000 total effective hectares (dairy platform plus dairy support), or 220,000 to 236,000 total hectares, based on an assumption that dairy farms include an additional area of roughly 5% (on average). As an example, one of the farmers interviewed noted that their additional area was 12% of the farm’s area.

As examples, the farmers interviewed summarised their fertiliser policies:

- *The growing seasons are quite different across the region, probably shorter at higher altitude compared to coastal. Our silage has already gone in, so we've just applied our spring fertiliser, with some nitrogen added to the paddocks. If we'd had the labour at the time, we could have done a round of nitrogen earlier in the year, just after calving. We work with our fertiliser rep and do weekly pasture walks so we know when there's a hole coming and need to put in any extra feed or nitrogen on. So, we base our fertiliser use on feed budgeting, pasture walks, and soil testing.*
- *We soil test every three years and apply fertiliser based on the results. The mix for the effluent areas is slightly different. We use quite a lot of nitrogen because it is the cheapest way to get feed into the system but not over the 190 units threshold. We follow the cows with urea and do farm walks every week, monitoring how the grass is growing and where we need 'to fill the holes'. For us, nitrogen is a very important tool to ensure we can feed our cows quality feed all year round, which not only impacts production, but mating and cow health as well.*
- *We're increasing our soil testing from six or seven across the whole farm to every four hectares, getting up to every second year. This year we used about five different fertiliser mixes, which was a lot for a small farm and quite a lot to manage but a huge cost saving. We were about 130 units of nitrogen at the end of last season, which is mostly August to December with a bit in autumn. In early spring we're moving to liquid more than granular nitrogen as well because it might give a better response. We just follow the cows, you don't have to wait until it's going to rain, it's just a labour saving really.*

#### 5.1.2.7 Riparian Management

Through Taranaki's Riparian Management Programme<sup>99</sup>, Transforming Taranaki, virtually all of Taranaki's 1,600 dairy farms now have riparian plans. The dairy farmers interviewed highlighted that Taranaki has a large number of streams, many of which have steep banks, and multiple stock crossings that are connected to the farms network of lanes and races<sup>100</sup>.

- *We've been involved in the riparian programme since we bought our first property twenty years ago. It's more of a partnership with the Regional Council and has worked really well in Taranaki. Driving around you see all the riparian planting that's well established. When stock exclusion became a requirement, Taranaki was well ahead but there's still a bit of a long tail and some of the rules need to be more sensible. We have a lot of radial streams coming off the mountain and, the way the roads run, you can easily have five or six streams through your property as well as drains.*
- *On one farm there were seven streams, and the farm was only 100 hectares, which gives an idea of the scale of the fencing and the planting. The Council's riparian programme has been awesome but, looking ahead, pests and weeds are becoming rampant in those areas and are more issues to manage. Stock exclusion is important but solutions need to be based in science and the practicalities of the land. A setback of four or five metres will reduce the effective area that you milk off significantly, which means a loss of land value.*

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<sup>99</sup> The programme began in 1996 and since then at least 2,600 riparian plans have been developed covering 15,400 km stream banks across the region. By the end of 2020, just under 90 per cent of the waterways within the programme were fenced and just over three-quarters of the streambank needing vegetation were protected by it, with more than 6.2 million native plants have been supplied to landowners and farmers. <https://www.trc.govt.nz/environment/freshwater/riparian-management-2/>

<sup>100</sup> More information is available at: <https://www.dairynz.co.nz/milking/tracks/>

- *I think a lot comes down to the waterway. I can understand bigger margins on rivers but when you're talking about some of these small creeks, many don't even run for some of the year. When you're losing land for some of them it's pretty hard to understand. We also have some stony bottomed streams that, since they've been planted, are turning into wetlands because they are choked with plants. There's still the flood flows and debris is just building up.*
- *We have some wetlands and they're all fenced. One was already planted in pines that we milled and planted out again with wetland plants. There's a few raupō areas that we thought about draining and put into paddocks, but we decided to keep them so they've just been fenced.*
- *A lot of stock crossings are culverts but then you will have a race (i.e., farm track) that goes down to a stream and back up the other side. Trying to manage runoff is difficult in that situation because the stream is the low point. Some places have bridges but they're really expensive. The biggest issue though is just the sheer volume of streams that are around the place. We don't have any significant wetlands, but everything's riparian planted and fenced.*
- *Our farm is all culverts, but they're not deep. We're pretty flat but the streams are still the lowest point, so if we had to bund and pump all of those culverts, I'd hate to think what the total cost might be. We just concreted a little bit of track and it cost close to \$50,000. If you had to, then I guess it all depends on how long you have.*

None of the farmers interviewed had any indigenous vegetation (e.g., native bush) within their farm.

#### 5.1.2.8 Farm Dairy Effluent

The farmers interviewed were asked about storage of farm dairy effluent. They noted that there is currently no set number of days capacity in Taranaki like there is in some other regions. Examples of storage capacity ranged from none (where farmers only have a sump and need to spread it on their paddocks every day) to a week, to six weeks (which was seen as sufficient to give options around when to spread it), to at least 90 days storage (the existing ponds provided flexibility that was valued but less than a third is used most production seasons).

They were also asked whether they viewed farm dairy effluent storage as a reasonable expectation:

- *I think it is probably essential to have good effluent storage, but it's just hard getting there for a lot of people. Farm dairy effluent is a regional issue. When it came to riparian fencing and planting Taranaki were ahead of the game. But we haven't had the same rules around effluent management as in other regions. So, just as Waikato is in catch-up mode with riparian planting, we will be for effluent.*
- *It will be the timeframe that will determine how farmers will cope with it. If it is known that you're going to have to do something and you have five or ten years it is more palatable than being told you should have already had it. There will be some farmers who have put in an effluent system within the last ten years that haven't got sufficient storage because it wasn't clearly stated. Many farmers want to know what they need to do to be 'future proofed'. The Council's plan seems to have been in development for quite a few years so people hold off on infrastructure because of the uncertainty involved and in the meantime it gets more expensive.*

- *Effluent management between farms can be so different and it can come down to storage. We were on a farm that is hilly with lots of streams, which made it hard. The effluent area was small and you also had the margin back from the streams, which made it even smaller, as well needing to control runoff. If you have more rainfall and less storage then it is a double effect. From a farm owner's perspective, the issue is the cost of putting it in and whether the cost is viable for the size of the farm.*
- *We were lucky that we didn't have to pay for our extra storage, and we certainly wouldn't want to be without it through the springtime. But yes, it's hard when you're talking hundreds of thousands of dollars to get there for most farms. You can't really work with one rule for the whole region. I know of one very large farm that may have less than 20 hectares that's irrigatable – they have very few options.*



*Image 34: Herringbone dairy shed in South Taranaki  
Photo credit: Laura West*

#### 5.1.2.9 Farm Environment Plans and Risk Factors

All three farmers either had or were on a waiting list for Fonterra's Farm Environment Plan and the Regional Council's Riparian Management Plan. The two farmers with both plans were of the view that the plans tended to sit in the background. They had put in place some of the actions, such as pond calculations and water metres. Both farmers made a connection between implementing actions and the timing of their consents.

When asked what risk factors may mean that a dairy farmer is facing more risk of being impacted by needing to improve environmentally, the farmers interviewed thought that such factors are likely to include:

- Any farm business with high levels of debt or low cashflow, and so limited ability to borrow;
- Younger farmers who are either saving or have just bought their first farm;
- Older farmers, particularly those with more traditional practices and less willingness to change;
- Smaller farms with few options available;
- Farms with inadequate infrastructure; and
- Farms with a lot of wetlands and possibly stock crossings.

The farmers interviewed made the final comments:

- *The most important thing to realise is, when you have one rule across the whole country, whether it is the government or a council or a processing company, it starts to get a bit difficult for certain farmers and certain regions. Within Taranaki it is likely to be similar because there's so many micro-climates and dairy farming is different at higher altitude.*
- *There are two main things when it comes to regulation. The first is one is that one size just will not fit all in Taranaki. The second is whatever is done needs to be practical. Farmers are practical people, and we spend a lot of time trying to make things practical, and so the regulations need to be practical too, to be fair.*



Image 35: Dairy cows on a farm in South Taranaki looking towards Taranaki Maunga  
Photo credit: Laura West

### 5.1.3 Sheep and Beef Farming

*This section is largely based on:*

1. *Data and advice provided by Beef + Lamb New Zealand's Economic Service in 2023 for the time period from 1968 to 2021<sup>101</sup>; and*
2. *Interviews with seven Taranaki sheep and beef farmers (located in the Stratford and New Plymouth Districts) who together had long and varied experience in the region.*

Sheep and beef farming in Taranaki is long-established in the east of the region on various combinations of soil types, topographies, and microclimates. There is a small area of easier (or intermediate) country that suits sheep and beef finishing farms (farms that grow livestock to meet the specifications of processors) and, typically, the transition from easy to hard hill country is rapid with very little intergrade of easier country to increase lambing percentages and wool weights (Hockings, 1981). Few sheep and beef farms are located on the Ring Plain and those that do exist tend to be more focused on beef cattle (M. Flett, pers. comm., 2023)<sup>102</sup>.

In 2022, there were between 387 and 453 sheep and beef farms in the region (includes deer farms) of at least 80 hectares in size<sup>103</sup> (32% in New Plymouth District, 30% in Stratford District, and 38% in South Taranaki). The sheep and beef farms in Taranaki tend to be multi-generational properties that were often challenging to develop. Over time, farmers have adapted (and continue to adapt) their production systems to their own unique set of environmental conditions – as well as the financial aspects of their businesses.

The region's regular rain and fertile soils mean farmers have a strong capacity to grow grass (although it may be less so in the south), giving them an advantage over other parts of the country that may be exposed to more extreme climatic conditions. (M. Flett, pers. comm., 2023). As well, the farms appear to respond well to seasonal challenges, which is partly a reflection of the soil types (e.g., Brown and Allophanic) (M., Flett, pers. comm., 2023). While farms in the north sit along a coastal band that are within easier reach of towns, those to the east and the south can be quite remote (e.g., Pohokura, Waitotara Valley). Several of the farmers interviewed reported that South Taranaki can be windier, drier, and more prone to gorse than eastern Stratford, where it is wetter and fewer shelter belts because there is less need.

#### 5.1.3.1 Historical Context

After a much slower start than many other regions<sup>104</sup>, livestock numbers on sheep and beef farms in Taranaki gradually increased during the first half of the 20th Century as new technologies became available and access to fertiliser improved. Romney sheep replaced the Lincolns of the pioneer phase and Polled Angus cattle the Shorthorns (McLintock, 1966). Following World War II, the sheep flock rose more rapidly as aerial topdressing of superphosphate<sup>105</sup> allowed early fertility issues to be addressed, and as a result of the 'wool boom' in New Zealand driven by the Korean War.

<sup>101</sup> This dataset had gaps for the Stratford District in 1990 and 1991 so the time period from 1992 to 2020 was generally used.

<sup>102</sup> Michael Flett is the B+LNZ Lead Economic Service Manager (North Island).

<sup>103</sup> As well, sheep and beef cattle were farmed on between 273 and 294 small holdings (20-79 ha). In the context of this report, a property less than 20 ha is likely to be a lifestyle block. The variance in the number of farms occurs when comparing the region with the sum of the three districts. Data source is StatsNZ Agricultural Production Statistics Year to June 2022.

<sup>104</sup> Historically most of the Taranaki Hill Country was cleared from native bush about the turn of the century (Hockings, 1981). The original bush burn gave an initial short-term boost in soil fertility enabling grass and clover to be established. With the rapid depletion of that fertility, continual development and improvement became, and remains, a high cost operation in relation to returns per hectare. In the worst instances, low prices and falling productivity resulted in the abandonment of a large area of land in the Aotuhia area (now just over the Taranaki border) just prior to World War II.

<sup>105</sup> This advancement was limited in the uplands by the availability of landing sites on the rolling terrace country (McLintock, 1966). Another challenge for sheep and beef farms in the hill country was early surveyors, being used to lowland concepts of the economic size of a farm, had made many properties too small.



From 1960, trends in stock numbers mirrored the national trend with the ratio between sheep and beef numbers being largely a reflection of relative profitability (Hockings, 1981). Figure 35 shows the expansion of sheep farming across the region over this period. While Stratford and Eltham were long the dominant areas for sheep farming in Taranaki, by the end of the 1960s, it had shifted towards Inglewood and Hawera and away from Waimate West (where dairy farming grew) (McLintock, 1966).

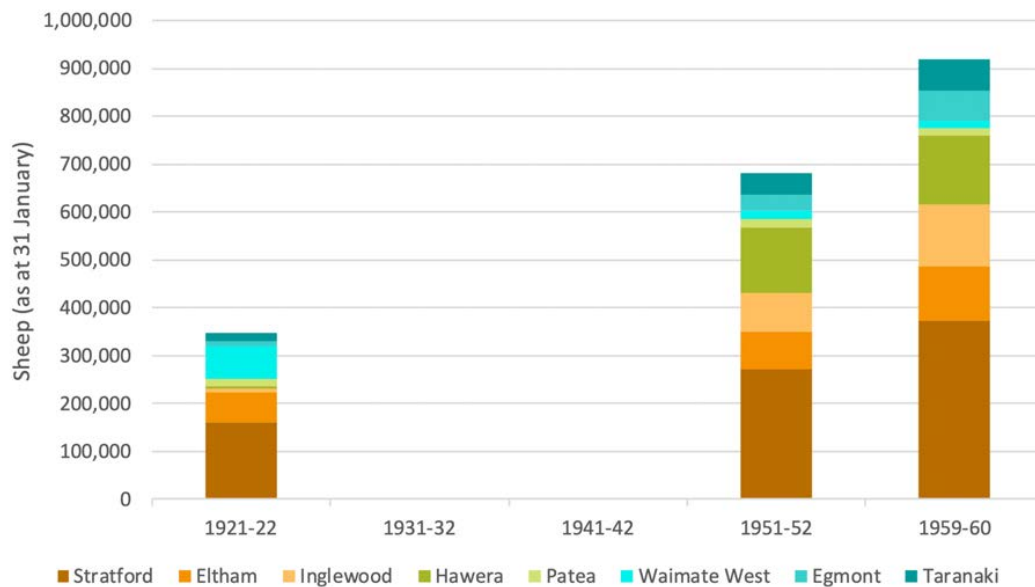


Figure 35: Sheep flock by county in the Taranaki Provincial District from early to mid-20th Century

Source data: *An Encyclopaedia of New Zealand* (McLintock, 1966)

Note: The years reported in the graph (1921, 1951, and 1961) were all that was available in the source reference. In the source, the data for Stratford Country included Whangamomona County. Taranaki was a county as well as a province (it included Mōa, Waitara, and Omata).

By the early 1970s, there were just under two million sheep (including lambs shorn) and almost quarter of a million beef cattle in the region (as a comparison, there were just under half a million dairy cattle at that time). However, during the 1970s the agricultural sector in New Zealand started to face political and economic headwinds (Fisher & Burt, 2022). When Britain joined the ‘Common Market’ in 1973 New Zealand’s guaranteed market for its lamb exports was effectively ended.

After decreases during the 1970s, sheep numbers were expanding again by 1980, with a concurrent improvement in per stock unit productivity for which some credit was given at the time to farmer extension activities (Hockings, 1981). The 1980s was a decade of well-documented changing fortunes for the sector, particularly with the removal of farm subsidies (Fisher & Burt, 2022). Since this time, sheep and beef cattle farmers have been responding more fully to consumer demand for lamb and beef, and from the early 1990s the returns from wool have declined. By 2019 there were 442,000 sheep and 125,000 beef cattle in Taranaki (StatsNZ Livestock Numbers). This represented a decrease of 1.25 million sheep and 59,000 beef cattle since 1984.

### 5.1.3.2 Farm Classes

The B+LNZ Sheep and Beef Farm Survey<sup>106</sup> represents the diversity of sheep and beef farming and provides the basis for the B+LNZ Economic Service's forecasts of meat and wool production as well as existing trends. The Survey is a random sample of commercial sheep and beef farms<sup>107</sup> from New Zealand's Business Frame, which is a record of the individual economic units that make up the New Zealand economy. While generally referred to as 'farms', commercial sheep and beef farms are businesses that each carry over 750 livestock units and may consist of more than one property (among other things).

Farms are classified in the B+LNZ Sheep and Beef Farm Survey using a system of eight farm classes: five for the South Island and three for the North Island. The three farm classes relevant to Taranaki are highlighted in blue below. This **Farm Class** system is distinct from the **Land Use Capability** Class system, which rates the versatility of land for agricultural uses by physical attributes, such as soil and slope (refer to Chapter 2 of this report). While two neighbouring farms may have a similar Land Use Capability Class (or classes), the way in which these farms are managed as businesses may mean that they are in different farm classes.

#### **Farm Class Description**

**Farm Class 1** - South Island high country: Extensive run country at high altitude carrying fine wool sheep, with wool as the main source of revenue. Located mainly in Marlborough, Canterbury, and Otago.

**Farm Class 2** - South Island hill country: Mainly mid-micron wool sheep mostly carrying between two and seven stock units per hectare. Three quarters of the stock units wintered are sheep and one quarter beef cattle.

**Farm Class 3** - North Island hard hill country: Steep hill country or low fertility soils with most farms carrying six to ten stock units per hectare. While some stock is finished, a significant proportion are sold in store condition.

**Farm Class 4** - North Island hill country: Easier hill country or higher fertility soils than Class 3. Mostly carrying between seven and 13 stock units per hectare. A high proportion of sale stock sold is in forward store or prime condition.

**Farm Class 5** - North Island finishing: Easy contour farmland with the potential for high production. Mostly carrying between eight and 15 stock units per hectare. A high proportion of livestock is sent to slaughter and replacements are often bought in.

**Farm Class 6** - South Island finishing-breeding: A more extensive type of finishing farm, also encompassing some irrigation units and frequently with some cash cropping. Carrying capacity ranges from six to 11 stock units per hectare on dryland farms and over 12 stock units per hectare on irrigated units. Mainly in Canterbury and Otago. This is the dominant farm class in the South Island.

**Farm Class 7** - South Island finishing: High producing grassland farms carrying about 10 to 14 stock units per hectare, with some cash crop. Located mainly in Southland, South and West Otago.

**Farm Class 8** - South Island mixed cropping and finishing: Located mainly on the Canterbury Plains. A high proportion of their revenue is derived from grain and small seed production as well as stock finishing.

<sup>106</sup> The B+LNZ Sheep and Beef Farm Survey has been running since 1950 and is one of the longest running such primary sector surveys in the world. In agriculture, most distributions of physical metrics are 'skewed' rather than being a 'normal' or 'bellshaped' curve (Andrew Burt, pers. comm., 2023). Importantly, each farm characteristic has its own distribution and the seemingly endless combinations of these multiple distributions across farms are explanatory for the complex range of impacts of policy.

<sup>107</sup> The B+LNZ Economic Service defines a commercial sheep and beef farm by a number of criteria, the most significant of which are that the farm carries at least 750 sheep and beef stock units over winter and earns at least 70 per cent of its revenue from sheep, beef cattle, long-term dairy grazing and crops.

Figure 36 shows the estimated distribution of sheep and beef farms across New Zealand by farm class and B+LNZ 'region'. Taranaki is grouped with Manawatū and in this B+LNZ 'region' the most common farm class is Farm Class 4: North Island Hill Country, which comprise 52 per cent of the commercial sheep and beef farms by number. There are fewer Farm Class 3 – North Island Hard Hill Country (25%) and Farm Class 5 – Finishing farms (23%), however many of the finishing farms are likely to be located in Manawatū (i.e., outside of Taranaki)<sup>108</sup>. This distribution of farm classes is very similar to that of the neighbouring Wairarapa. In 2021-22 there were the 68 Taranaki-Manawatū farms in the B+LNZ Sheep and Beef Farm Survey sample of which 11 of the farms were in the Taranaki region.

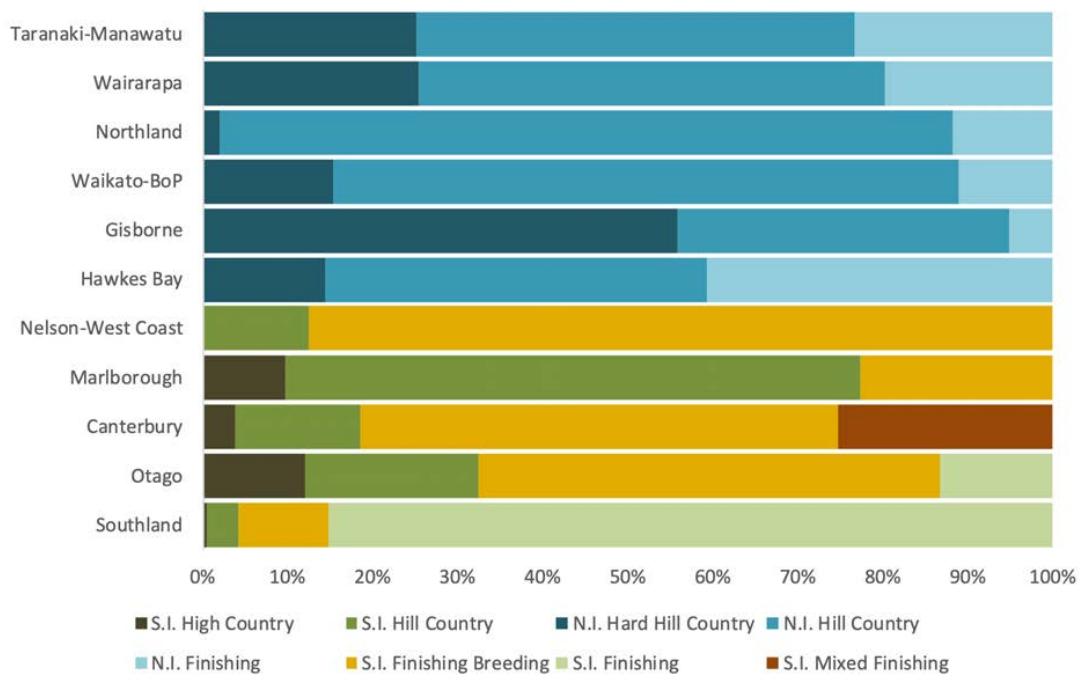


Figure 36: Estimated percentage of farms by farm class and region in 2020-21  
Source: B+LNZ Economic Service

Within the sheep and beef industry, there are strong interdependencies between farm classes. One farmer described it as follows:

- *People don't see farming, sheep and beef farming in particular, as a bigger system than just one farm class or another. They are all interconnected. One of the things I've heard lately is, "We need to just throw all our hill country into trees and be done with it. We don't need that anymore." It is so the wrong way to look at things because without that hill country farming where does the fella on the flat down land who finishes those animals to throw on weight, where does he get those animals from if they're not there anymore? They are not going to put breeding animals on LUC Class 1 country that is built for finishing animals, growing them out to the heavy weights that people want.*

<sup>108</sup> In 2020-21 there were an estimated 1,095 commercial sheep and beef farms in the B+LNZ 'Taranaki-Manawatū' region: 275 Hard Hill Country farms, 565 Hill Country farms, and 255 Finishing farms.

Several of the farmers interviewed also mentioned the importance of long-standing business and relationships with individual dairy farmers. In a few cases these relationships were based on family connections.

During a discussion about different management approaches, a fundamental point made in one interview was that farmers base their approach around their values: “You’re not going to enjoy farming if you don’t” and “That’s how you have to do it, anything else just doesn’t make sense”. The need for enjoyment was linked to the solitary nature of farming. One farmer commented “And because you’re working by yourself too, mainly, you need to enjoy it.” Another expanded on this point:

- *You’re there day in and day out, any problems are on your shoulders, so you’ve got to have a bit of enjoyment from your job. I spend a lot of days just by myself, which I don’t mind. You’ve got to be happy with your own company as a sheep and beef farmer. I actually quite like getting out, just me and my dog. You’ve got to enjoy it because things don’t always go well. You’ve just got to think, “Well, that wasn’t a very good day but tomorrow will probably be better.”*

### 5.1.3.3 Farm Size, Topography, and ‘Grazeable’ Area

There is considerable variability in the size and mix of topography across the 68 Taranaki-Manawatū farms included in the B+LNZ Sheep and Beef Farm Survey in 2021-22. The farms surveyed ranged in average area from around 200 hectares on Finishing farms (Farm Class 5) to just under 500 hectares on Hill Country farms (Farm Class 4), and just over 1,200 hectares on Hard Hill Country farms (Farm Class 3)<sup>109</sup>. In addition to variation in size, each sheep and beef farm has its own blend of topography, including flat, rolling, and steep land, which influences other characteristics of the farm business.



Image 36: Sheep and beef farming landscape in Stratford District

<sup>109</sup> While the Hard Hill Country farms are large they tend to be smaller scale than the Farm Class 1 High Country farms in the South Island (M. Flett, pers. comm., 2023). Examples include the neighbouring Rerekino and Rerekapa Stations (Urenui, New Plymouth District), as well as Rimunui Station, Mahoe Station, and Makowhai Station (Waitōtara Valley, South Taranaki District).

Figure 37 uses B+LNZ Sheep and Beef Farm Survey results for Taranaki-Manawātū and shows that farm size and topography have both changed considerably since the 1980s (graphs for each farm class are in Appendix 3). When comparing 2021-22 to 1983-84, the grazed area of Hard Hill Country farms has more than doubled in size; Hill Country farms have almost one quarter more grazed area, while it is 15 per cent more on Finishing farms. The grazing part of a sheep and beef farm produces food and fibre, while the non-grazing part relates to forestry blocks and areas of bush, scrub, wetlands, tussock, riparian zones and similar that are sometimes referred to as being ‘set aside’<sup>110</sup> (Fisher & Burt, 2022).

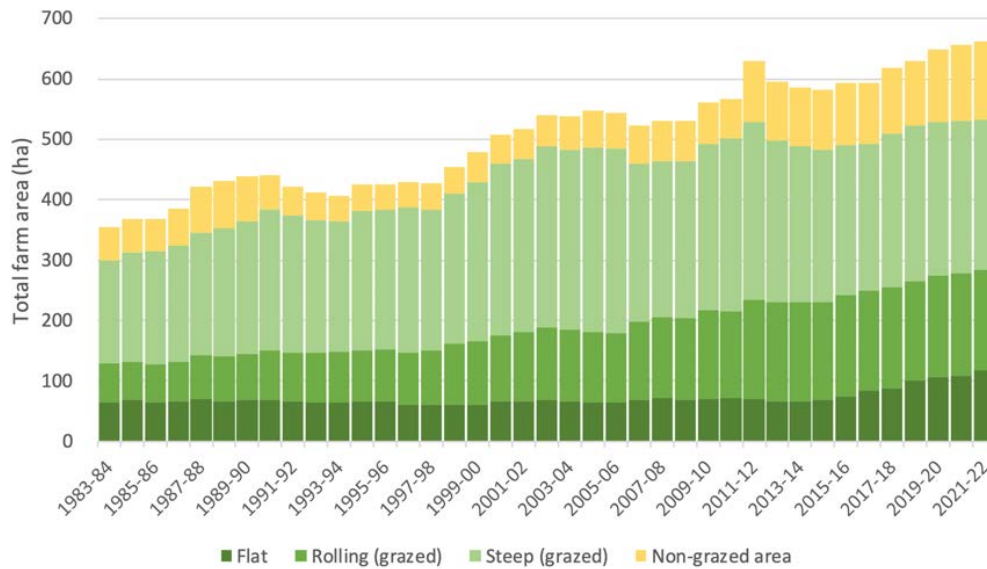


Figure 37: Changes in farm size and topography for all sheep and beef farms in B+LNZ Sheep and Beef Farm Survey in Taranaki-Manawātū from 1983-84 to 2021-22

Source data: B+LNZ Economic Service Sheep and Beef Farm Survey

Note: graphs for each farm class are included in Appendix 7.3

A consequence of increasing scale is that there may be fewer people living in the rural communities: what used to be a 300 to 400-hectare farm that would service a family, plus children and a shepherd, now can be a 600 to 700-hectare farm run by a single person (M. Flett., pers. comm., 2023). Overall, these farm classes now include larger shares of either flat land or flat to rolling land than they did in the mid-1980s. Table 19 gives a breakdown of average farm area and topography for sheep and beef farms in Taranaki-Manawātū in 2021-22. Figure 38 shows the distribution by farm size across Taranaki’s three districts using StatsNZ data.

<sup>110</sup> For clarity, the ‘grazeable’ part of a farm includes the area occupied by the farmhouse and some curtilage (the land surrounding the house up to one hectare), fenced and unfenced tracks, and roads (if any). Set-aside areas, such as native bush, used to be referred to as ‘un-improved’, ‘ineffective’, or ‘non-effective’ but these terms did not recognise the value of such areas.

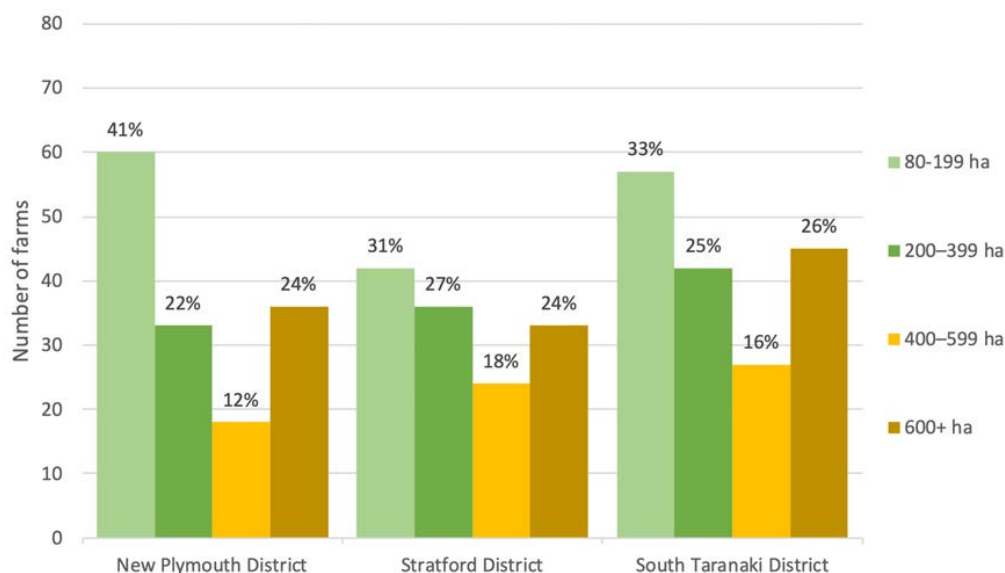


Figure 38: Distribution of sheep and beef farms that are at least 80 hectares in size by district in 2022

Source data: StatsNZ Agricultural Production Statistics 2022

Note: The percentages above each bar are for the district. For example, in the New Plymouth District, 41% of the sheep and beef farms are between 80 and 199 hectares in size.

Table 19: Estimated average area and slope mix for sheep and beef farms in Taranaki-Manawatū compared to New Zealand in 2021-22

Farm Class	Flat	Rolling	Steep	Total grazed area (ha)	Non-grazed area (ha)	Total farm area (ha)
3: Hard Hill Country	10%	23%	67%	927	283	1,210
4: Hill Country	21%	41%	38%	488	94	582
5: Finishing	84%	16%	0%	207	46	253
New Zealand	21%	38%	41%	700	133	833

Source data: B+LNZ Economic Service Sheep and Beef Farm Survey

Comments from the farmers interviewed on size and topography included:

- *A minimum economic unit for a hill country farm is probably what we're on now – 400 hectares. If you're under that you really need off-farm income to prop it up.*
- *We tend to have higher cattle ratios because of the soil types. I think the contour on our sheep farms is challenging compared to elsewhere (e.g., the Wairarapa).*
- *We don't really have that intermediate country that can handle the hard wear and tear. Generally, even our best country's got sheep tracks on it – you know when you get to a sheep track you're not driving a tractor around on it. Or we're swamp.*
- *We've got more of that intermediate country. There's nothing that's dead flat – we're all sort of rolling in the front and easy hill in the back.*

Not all land on a sheep and beef farm is used to graze livestock<sup>111</sup>. Land categorised as ‘grazed’ (see farm class graphs in Appendix 3) has increased on Hard Hill Country farms in Taranaki-Manawatū from roughly 60 per cent of a farm’s total area during the 1990s to around 80 per cent in 2021-22. In contrast, ‘grazed’ land on Hill Country farms has decreased since the mid-1990s from 96 per cent to 84 per cent. Over the same period, ‘grazed’ land on Finishing farms stayed at around 90 per cent up until 2018-19 when it dropped to 82 per cent. Overall, the share of land grazed in 2021-22 was 80 per cent (compared to 84% for New Zealand as a whole). Or to put this another way, more land on sheep and beef farms in Taranaki-Manawatū is ungrazed, either being ‘set aside’ or used for other purposes, such as farm forestry.



Image 37: Farmland, new riparian planting, and indigenous vegetation in the New Plymouth District  
Photo credit: Sarah Coogan

Many sheep and beef farms in Taranaki are close to native bush, particularly those in the uplands where there is more ‘broken’ country (e.g., Ngamatapouri, Matemateaonga, Pohokura, Matau, and Uruti). In the past farmers have put a lot of effort into clearing gorse and manuka (often in response to political signals about increasing production and economic returns for the country) and reversion to scrub happens relatively fast in Taranaki. There is natural land cover on the edges of the farmland and many farms contain original bush remnants or regenerating bush, much of which is managed with livestock.

- *We do have some areas of native bush through the farm and then we’ve got a single block of virgin native bush that is about an eight-hectare block on the farm. So, no huge areas of bush but we are intersected with bush. We’ve got a lot of gullies and bits and pieces which are all still a lot of bush in them, and we’ve fenced a lot of the gullies off.*

Over the last decade some farmers have received revenue from apiculture, which is an incentive for retaining stands of manuka.

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<sup>111</sup> The line between grazed and ungrazed is not necessarily clear cut. For example, a farmer may use a gully or bush block on a farm seasonally for livestock protection, such as for lambing and fawning, during a weather event, or when they are tight on feed or need shade.

From 1991-92 to 2021-22, farm forestry (not including agro-forestry) has been slightly more present on sheep and beef farm survey farms in Taranaki-Manawatū than those across New Zealand as a whole. While the amount of farm forestry on Hard Hill Country farms and Finishing Farms has been variable over this period (both fluctuating between less than 2.0% and 4.0%), the extent on Hill Country farms has steadily increased over the past three decades (from 0.5% in 1991-92 to 4.5% in 2021-22). In 2021-22, an estimated three per cent of sheep and beef farms' total area in Taranaki-Manawatū was used for farm forestry (as a weighted average across farm classes). However, there is likely to be considerable variation within this B+LNZ region, given its size and differing landscapes.

#### 5.1.3.4 Livestock mix

Sheep and beef cattle are typically run together in New Zealand because the two stock types are complementary (Fisher & Burt, 2022). Each stock type has different feed requirements so the growth and use of pasture can be balanced within a farm across the year. As well, they can be used to manage pasture while minimising their individual exposure to parasites. Together, sheep and beef cattle create two main revenue streams, which helps diversify the farm business.

*In New Zealand cattle and sheep have long been regarded as useful grazing partners and North Island hill men in particular are well aware of the advantages of this cattle-sheep association. The improved sheep carrying on hill farms is often an indirect result of the good work done by cattle in controlling secondary growth and roughage. And so, in the past New Zealand cattle have acted more as living agricultural implements than as direct profit earners, but now, owing to an increased demand for beef, particularly good quality young beef, cattle have come to be regarded as meat producers in their own right.*

**F. L. Ward, New Zealand Meat and Wool Boards' Economic. Service (1962)**

Although the stock types are complementary, the ratio of sheep to beef cattle varies and is usually matched to a farm's conditions. Consequently, there is a broad sheep/cattle gradient throughout the country, with relatively more sheep in the South Island than in the North Island. The sheep:cattle ratio also tends to fluctuate over time as farmers continually respond to various push and pull factors, highlighting the need for flexibility within their production systems and retaining the ability to innovate.

In Taranaki-Manawatū, the ratio of sheep to beef cattle (as a weighted average across farm classes) peaked in 1983-84 at 16:1 (the national average at the time was 22:1). However, the ratio was back to 11:1 by 1990-91. It then remained between 9:1 and 11:1 sheep for every head of cattle for thirty years but was slightly lower in 2021-22 at 8:1 (although the average for New Zealand as a whole also declined to 7:1).

Figure 39 shows the considerable variability that existed between the three farm classes in Taranaki-Manawatū from the 1970s to the mid-1990s. Since the mid-1990s the sheep to cattle ratio has been more settled across all three farm classes, with a gradual shift from sheep to cattle on Hill Country farms and Finishing Farms. However, after 2014 the situation changed on Finishing farms with the number of sheep to cattle dropping away from 10:1 to 4:1. One sheep and beef farmer interviewed suggested that a factor may be "the workload and everything about cattle being less and the farms being able to handle more cattle".

When sheep are considered as 'stock units' (rather than stock numbers), in 2020-21 they represented an average of 42 per cent of a farm's total stock units on Finishing farms, 60 per cent on the Hill Country farms, and 65 per cent on Hard Hill Country farms in Taranaki-Manawatū.



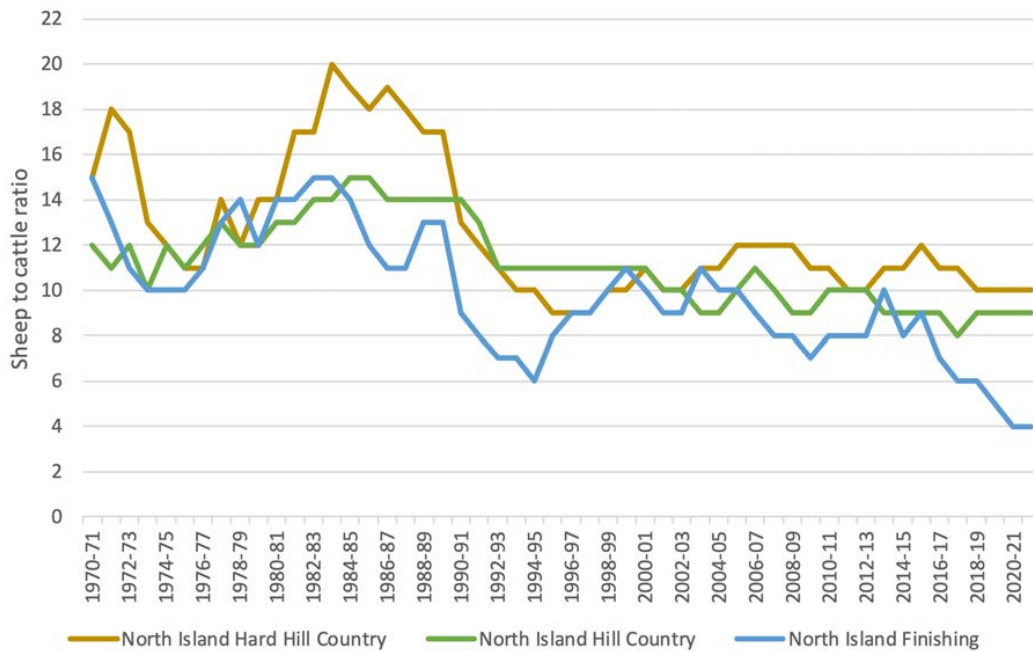


Figure 39: Changes in sheep to cattle ratio on sheep and beef farms in Taranaki-Manawatū from 1970-71 to 2021-22  
Source data: B+LNZ Sheep and Beef Farm Survey

Alongside changes in livestock mix over time (sheep, beef, and occasionally deer<sup>112</sup>), stocking rates ‘at open’<sup>113</sup> on a grazed hectare basis for the Taranaki-Manawatū sheep and beef farms in the B+LNZ Sheep and Beef Farm Survey have gradually decreased over the last 50 years for each of the three farm classes (Figure 40). As a weighted average of all three farm classes, the stocking rate decreased between 1970-71 and 2021-22 from eleven to nine stock units per ‘grazed’ hectare (or from 9 to 7 on a total hectare basis). In other words, farms have fewer stock units despite the changes in topography. This trend is offset by the value of a stock unit gradually increasing over time with improvements in productivity. For example, improvements in lambing percentages and lamb survival rates means fewer breeding ewes are needed to produce the same crop of lambs.

The seven farmers interviewed for this research currently had stocking rates of between 8.5 and 12 total stock units per ‘grazed hectare. One Hill Country farmer explained “About 12 stock units to the hectare – that’s wintering stock rates. It fluctuates between 10 and 12 as about right for efficient pasture management. We have been as high as 13 or 14 into the winters, but dad was more comfortable at that rate than I am.”

<sup>112</sup> While deer have occurred across all three farm classes, they are now focused on Hill Country farms and, to a lesser extent, Hard Hill Country farms in Taranaki-Manawatū.

<sup>113</sup> ‘At open’ means the start of the sheep and beef production season, which is 1 July of each year.

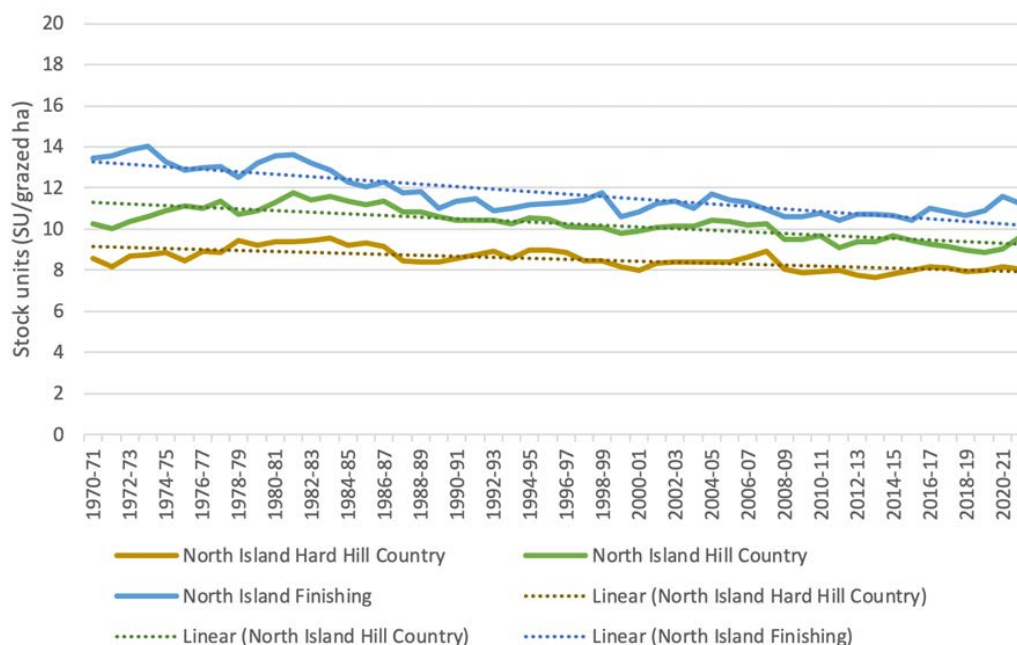


Figure 40: Changes in stocking rates on sheep and beef farms in Taranaki-Manawatū from 1970-71 to 2021-22  
 Source: B+LNZ Sheep and Beef Farm Survey

### 5.1.3.5 Revenue Streams, Expenditure, and Profitability

Commercial sheep and beef farms have a range of revenue streams but around 90 per cent of revenue for Hard Hill Country and Hill Country farms is earned from the two main stock types and at least 70 per cent for Finishing farms. Most farms include an additional form of revenue, although the mix of revenue streams tends to vary by Farm Class. There appears to be fewer opportunities to diversify in the uplands where, with steep hills and wet valley floors, there is very limited well-drained flat land and competing uses for what does exist (refer to graphs in Appendix 7.3).

Figure 41 shows changes in the relative importance of different revenue streams for Taranaki-Manawatū sheep and beef farms (as a weighted average) since the mid-1990s. In 2021-22, sheep accounted for 65 per cent of Gross Farm Revenue for Hard Hill Country farms, 63 per cent for Hill Country farms, and 32 per cent for Finishing farms.

Clearly evident in the graph is the declining revenue from wool and the growing importance of sheep (sold as store lambs, finished lambs, or for breeding). Farmed deer (venison and velvet), dairy grazing, and cash crops have been fairly consistent but more minor revenue streams for some farm businesses over the last 30 years. Many sheep and beef farmers have well established connections with the dairy industry (i.e., grazing and cash crops) and although dairy support is not a major source of revenue, for some farmers it can be substantial. The possible exception being those on Hard Hill Country farms.

A few farms received small amounts of revenue from other sources: horticultural crops and farm forestry from the mid-1980s to the mid-2000s and, more recently, apiculture (as previously mentioned) and occasionally tourism-related activities (e.g., accommodation). Some farms, particularly those that are more marginal in terms of being an economic unit, also have off-farm income – with more opportunities likely to exist in the New Plymouth District.

To illustrate the diversity, four farmers described their mix of revenue streams as follows:

- We are predominantly a sheep and beef breeding operation, finishing all of our own stock. We also rear dairy bulls, some being finished and others sold as weaners, and have dairy grazing – all from within Taranaki. Our stock units are roughly split as 60% cattle and 40% sheep.
- We are roughly 80-90% sheep on low but steep hill country, running about 9 stock units to the hectare. We sold all our cows and now are just finishing heifers. The hills are wet and the heifers are just better on their feet and don't need any supplements, but they can cause problems so we might go into steers.
- We finish dairy bulls as well as steers and have dairy grazing. We mostly buy and sell locally (sometimes handling the same animals more than once). We lamb later so only finish some of our lambs and end up with a store lamb in a lot of cases. We also have some farm forestry.
- We are sheep and beef cattle, with the ratio being 20:1 as stock numbers. We finish all our lambs and keep our replacement hoggets and heifers. The bulls are sold to the dairy industry as two-year olds. There is no dairy grazing. We also have a pine block (i.e., farm forestry).

Since 2018-19 shearing expenses have exceeded farmers' wool accounts (as averages) across all three farm classes in Taranaki-Manawatū<sup>114</sup>. A Hill Country farmer's comments on wool and shearing were: "Shearing costs are dire compared to the wool cheque. Although, at pre-lamb shearing it paid for itself, and we made \$1,500 or \$2,000. The last main shear, we netted 30 cents per kg on our wool and shearing still had to come out of that, that was just selling cost. You just can't farm at those sorts of prices. They're a local shearing gang – young fellas – and they go well." In response to this situation, a few farmers in Taranaki are moving the sheep enterprise of their system towards the Wiltshire breed<sup>115</sup>, which self-sheds its wool.

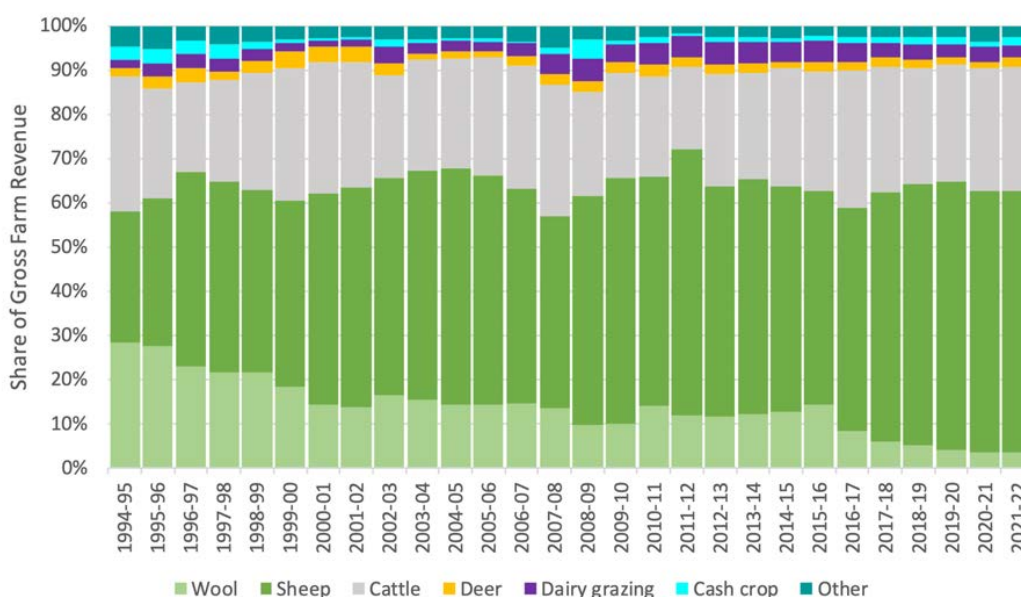


Figure 41: Changes in revenue for sheep and beef farms in Taranaki-Manawatū from 1994-95 to 2021-22  
 Source data: B+LNZ Sheep and Beef Farm Survey  
 Note: Graphs for each farm class are in Appendix 7.3. 'Other' includes horticulture, farm forestry, apiculture, and tourism.

<sup>114</sup> In 2021-22, shearing expenses were \$34,000 while revenue generated from wool was \$23,500, meaning a net loss of \$10,500 (as weighted averages across farm classes for Taranaki-Manawatū). General animal health expenses (in addition to the removal of wool) were \$31,000.

<sup>115</sup> There are three registered breeders of Wiltshires in Taranaki. More information is available at: [www.wiltshiresheepnz.com/](http://www.wiltshiresheepnz.com/)

Revenue, however, is not equivalent to profitability. Farm profitability is the sum of the various revenue streams minus expenditure and depends on a complex set of interacting factors, some of which are within a farmer’s control and many that are not. Two key factors are the weather, which plays a critical role in pasture and animal production, and market prices for sheepmeat and beef.

On a per hectare basis, sheep and beef farms in Taranaki-Manawatū have tended to be more profitable over time than for New Zealand as a whole. However, since 2004 profitability per farm has been slightly lower than the national average because of their smaller farm size – even though farm size has been gradually increasing over time. In general terms, Finishing farms are more profitable **per grazed hectare** but have lower profitability **per farm** than Hard Hill Country and Hill Country farms. This said, profitability is highly variable across farm classes as well as between farms and from one production season<sup>116</sup> to the next (Figure 42). Since 2021-22, the profitability of sheep and beef farms has declined for New Zealand as a whole (this data is not available yet by region).

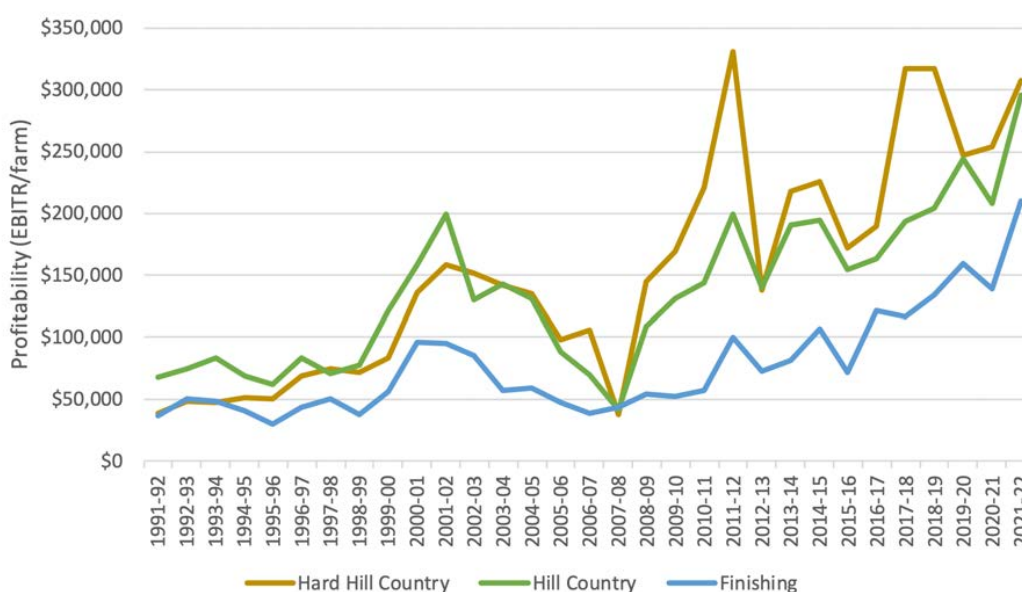


Figure 42: Sheep and beef farm profitability per farm for Taranaki-Manawatū from 1991-92 to 2021-22  
Source data: B+LNZ Sheep and Beef Farm Survey

Pastoral farmers are largely ‘price takers’, having little ability to influence prices for their products, particularly in export markets. As a general rule, farm input costs increase over time while market prices fluctuate for their products sold (Fisher & Burt, 2022). Farmers work to keep pace by improving productivity and production<sup>117</sup>. When the costs of inputs are high and market prices are low, farmers endeavour to reduce their expenditure. However, as sheep and beef farming usually is a lower intensity land use, there are few inputs that can be varied (e.g., the quantity, timing, and type of fertiliser) before revenue and profit margins are impacted. Where profit margins remain low, forward contracts or deferred spending (e.g., for repairs and maintenance or vehicles<sup>118</sup>) will be carefully considered bearing in mind the impact that a decision for one year will have on future seasons’ expenditure and production.

116 It is a convention that sheep and beef production is measured using a production season that runs from 1 July of one year to 30 June of the next.

117 As an example, in 1979-80 the average lambing percentage in Taranaki was 91.5% (Hockings, 1981) and in 2021-22 it was 136.4%

118 In 2021-22, expenditure on repairs and maintenance and vehicles was \$50,000 and \$17,000 respectively (as a weighted average across farm classes for Taranaki-Manawatū).

On average, Farm Working Expenses in 2021-22 totalled \$356,000 per farm in Taranaki-Manawatū (as a weighted average across farm classes)<sup>119</sup>. Average standing charges were just over \$112,000, average interest and rent payments were \$75,000, which together with Farm Working Expenses, resulted in average Total Cash Expenditure of \$468,000. Once depreciation was considered, average Total Farm Expenditure for those farms in the Sheep and Beef Farm Survey was around \$500,000 per farm. A large portion of this expenditure occurs within the regional economy.

A major share of Farm Working Expenses is spending on fertiliser, lime, and seeds. Figure 43 shows, as averages for each of the three farm classes, changes since the late 1970s in this share (together with weed and pest control). In 2021-22, it accounted for 30 per cent of Farm Working Expenses for sheep and beef farms in Taranaki-Manawatū. Overall, Hill Country farms experienced the greatest increase in this expenditure share while the most variability in the share occurred on the Hard Hill Country farms<sup>120</sup>. Farmers in the uplands also tend to face more challenges with accessing agricultural services – for example, while those offering services on a casual basis (e.g., fencers and shearers) will travel (at a cost to the farmer) it can be more difficult to attract quality shepherds and other more permanent roles (M. Flett, pers. comm., 2023).

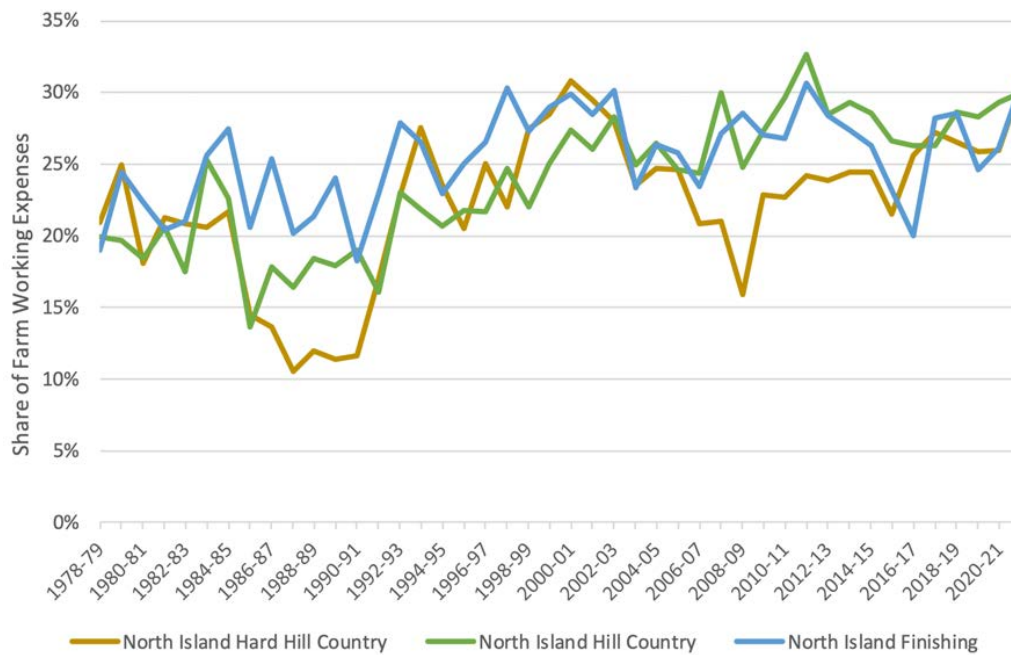


Figure 43: Expenditure on fertiliser, lime, seeds, and weed and pest control as a share of Farm Working Expenses on sheep and beef farms in Taranaki-Manawatū from 1978-79 to 2021-22  
 Source data: B+LNZ Sheep and Beef Farm Survey

119 Average standing charges were just over \$112,000, average interest and rent payments were \$75,000, which together with Farm Working Expenses, resulted in average Total Cash Expenditure of \$468,000. Once depreciation was considered, average Total Farm Expenditure was just under \$500,000.

120 The impact of the removal of subsidies in the 1980s and the Global Financial Crisis in the late 2000s on Hard Hill Country farms is clearly evident in Figure 42.

In the year to March 2023, on-farm inflation for New Zealand’s sheep and beef farms was 16.3 per cent, the highest rate since 1981, and followed 10.2 per cent on-farm inflation in the previous year. A key driver was interest costs as most farm borrowing is on a floating rate basis, but prices have increased across all types of inputs<sup>121</sup>. Each business’ experience of inflation is individual, depending on the nature of their production system and their use of inputs and debt as a business management tool (Fisher & Burt, 2022)<sup>122</sup>. In Taranaki-Manawatū the cost of owning or leasing land (a combination of interest and rent), as a twenty-year average from 2001-02 to 2021-22, accounted for 21 per cent of Total Cash Expenditure<sup>123</sup>.

#### 5.1.3.6 Feed Conservation and Cropping

Most sheep and beef farms in New Zealand are substantially self-sufficient for feed, meaning a farm is usually able to grow enough feed for its livestock (Chrystal, Fisher, & Burt, 2023). Key is the budgeting of feed throughout a year for optimal pasture management<sup>124</sup>, which involves making the most of pasture growth by conserving it when it is in surplus (e.g., historically making hay and silage, and more recently, baleage) for use during feed deficits or ‘pinches’. It can also include the use of forage crops to supply livestock with more concentrated nutrition, to protect the farm’s pasture during inclement weather, and as phase in a pasture renewal. In some cases, mostly on Finishing farms, farmers also grow ‘cash’ crops<sup>125</sup>.



Image 38: Checking out the hay  
Photo source: Sarah Coogan

121 To put this in context, consumer price inflation was 6.7 per cent in the same year. The 2023 on-farm inflation report for the sheep and beef industry in New Zealand is available at: <https://beeflambnz.com/sites/default/files/2023-06/Sheep-Beef-On-Farm-Inflation-23.pdf>

122 An in-depth discussion of farm debt, and freshwater management in relation to sheep and beef farming is available in Moran, McDonald, and McKay (2022).

123 Across the farm classes, the 20-year average in the cost of land ranged from 16% of Total Cash Expenditure for Finishing farms, to 22% for Hill Country farms, and 21% for Hard Hill Country farms. The rate for sheep and beef farms across New Zealand as a whole was 19%.

124 Pasture production needs livestock for grazing otherwise it must be mown or ‘topped’ to prevent it going to seed and turning ‘rank’ (so is inedible) and needing more weed management.

125 A cash crop is one that sheep and beef farmers grow to be sold either as stock feed or for human consumption (Fisher & Burt, 2022). There is considerable planning, negotiating and risks taken when planting cash crops or other crops to generate revenue for the farm. Around 12 to 18 months may elapse from the time of planting the crop through to harvesting and final payment, during which time the farmer has outlaid for numerous expenses before final payment on delivery of the crop (payment for contracted crops is typically negotiated before farmers plant cash crops).

In Taranaki, pasture grows for most (if not all) of the year, meaning there is less need for forage crops. Forage crops include summer turnips for lambs through to winter kales (but focus on less swedes than elsewhere), and herb mixes have also been used in the last few years, such as plantains, clovers, and chicories (M. Flett, pers. comm., 2023). Winter cropping is not as important in Taranaki as it is in other regions because of farmers' ability to grow grass and the cash crops grown are mainly maize and silage (M. Flett, pers. comm., 2023).

Table 20 indicates the average extent of winter feed and cash crops on sheep and beef farms in Taranaki-Manawatū over five years in comparison to New Zealand as a whole. Cultivation for cropping is usually limited to easier country (LUC Classes 1-4). The average areas of winter feed and cash crop are consistently smaller for the three farm classes than for New Zealand as a whole (as a weighted average across farm classes). The higher winter feed area as a share of grazed area for Finishing farms likely reflects the smaller farm size and that more of their topography is suitable for the growing crops than the other two farm classes.

Table 20: Extent of winter feed and 'cash' crops as five-year averages for sheep and beef farms in Taranaki-Manawatū compared to New Zealand (from 2017-18 to 2021-22)

Farm Class	Winter feed area (ha)	Winter feed area as a share of grazed area	Cash crop total area (ha)
3: Hard Hill Country	16.4	1.7%	1.6
4: Hill Country	8.0	1.7%	1.0
5: Finishing	7.2	3.5%	6.8
New Zealand	21.0	3.0%	13.2

Source data: B+LNZ Sheep and Beef Farm Survey

Most of the farmers interviewed had either moved away from winter crops (or never used them) and relied on all grass wintering.

- *We used to do hay for the cows, break feed the cows and feed out the hay and all that, but we've moved away from that. A change of lifestyle. The heifers just get sent out with the ewes over winter, over lambing, and it seems to work well. My neighbour's been well out of cows for a long time.*
- *We do a bit of hay and silage but not that much. Not in my wildest dreams would I consider spraying out these paddocks. It's just not going to happen.*
- *We don't have forage crops because we've got regular rainfall where we are, so 'she'll be right'.*
- *We are summer safe and we've never had to sell capital stock.*
- *We don't run at 100% because it is better to have slightly fewer ewes and more lambs. We have enough feed in a tight year and in a really good year we've got holdover cows to finish off anything that is a bit rank and come middle of July, it's all gone.*
- *We use deferred grazing, which is almost regenerative agriculture, so we might do 20 or 30 hectares of setting aside grass in November (spring) and grazing it off in February/March (late summer).*
- *We always make a bit of baleage. Last year we made 140 bales or so and I've only used half of it.*

- *We're all grass with some nitrogen and make 100 bales of silage a year as backup in autumn for the dairy grazers. April is probably our biggest feed pinch because we're trying to create covers for winter. Our own cattle and store lambs are the flexibility in the system so we would get rid of them if we were in trouble.*
- *Spring is the hardest time for feed, before the grass really gets growing it sort of starts, then stops. April/March can be challenging too. September was the hardest time when we used to have a lot of cattle on, which made that month pretty stressful.*
- *One reason we jumped out of the dairy grazing system is because it didn't really give us much flexibility if we're coming into a dry February/March. You had to upset the system to deal with it by making baleage and we didn't want to be feeding out sileage and baleage in February/March. We're too busy doing the sheep work or spraying weeds. It erodes a bit of your profitability as well.*

### 5.1.3.7 Nutrient Management

Overall, fertiliser use on sheep and beef farms in Taranaki for pasture and crop is relatively low and highly targeted. It makes no economic sense for a farmer to apply fertiliser in a manner that effectively results in losses of the nutrients that the farmer has paid for (Chrystal, Fisher & Burt, 2023). Fertiliser use tends to vary between years because of environmental factors, such as seasonal conditions (e.g., drought or a cool, damp spring), that impact feed availability as well as financial considerations (e.g., the absolute and relative prices of fertilisers). Some of the country to the very east of the region has possibly had little fertiliser on it over the years, including capital dressings (M. Flett, pers. comm., 2023).

Figures 44 and 45 show, in turn, the use of elemental phosphorus and elemental nitrogen on pasture over the past thirty years<sup>126</sup>. These fertiliser application rates are for the areas to which fertiliser was applied, which is generally much less than the farm's grazed area – in 2021-22 pasture fertiliser was applied to 75 per cent of the grazed area (as a weighted average across the farm classes). As well, fertiliser applications do **not** equate to losses of excess fertiliser. Fertiliser application rates are higher for crop than pasture, but the areas applied are far smaller (Table 21). The crop area fertilised in Taranaki-Manawatū was roughly four per cent of the total area of pasture to which fertiliser was applied on Hard Hill Country farms and Hill Country farms, and 11 per cent on Finishing farms.

Table 21: Use of elemental phosphorus and nitrogen fertilisers for pasture and crop as five-year averages for sheep and beef farms in Taranaki-Manawatū compared to New Zealand (from 2017-18 to 2021-22)

Farm Class	P rate for pasture	N rate for pasture	Fertilised pasture area (ha)	P rate for crop	N rate for crop	Fertilised crop area (ha)
3: Hard Hill Country	20	12	640	43	59	25
4: Hill Country	22	14	344	49	60	15
5: Finishing	26	26	125	40	107	13
New Zealand	20	18	336	33	106	43

Note: All fertiliser rates are kg/ha/year applied.

<sup>126</sup> That is, the actual nutrient applied, which is carried by a 'filler' when fertiliser is spread.



Sheep and beef farming in Taranaki largely takes place on Brown and Allophanic soils (refer to Section 2.3). Brown soils have silty textures and a well-developed soil structure with a deep rooting depth, and they tend to be well-drained. Allophanic soils tend to have a weaker soil structure relative to Brown soils, making them more vulnerable to compaction, which limits water infiltration. The other major difference between the two soil orders is the phosphorus retention with Brown soils typically low to moderate and Allophanic soils very high, which has implications for superphosphate fertiliser use.

The farmers interviewed made the following comments on phosphorus fertiliser:

- *Traditionally we've put on 100 tonnes of superphosphate on the farm every year, but I've been thinking this year we won't because it's \$50,000-odd just to put on 100 tonnes. I've been farming 30 years and soil testing lately every third or fourth year. A soil sample costs \$300 and every time they come back and say, "You need more phosphate", as a rule. So, I think, "Why don't I just put that \$300 into phosphate and have done with it?" I've tried a variety of fertilisers (e.g., Reactive Phosphate Rock, dicalcic fertilisers), but I've just gone back to superphosphate.*
- *We've never used urea and haven't used superphosphate for about 15 years. We were using RPR, a lot of lime, but have gone back to a different brew that costs the same. We will be doing carbon testing in about two weeks' time and that will be the 'proof in the pudding'. We are trying to get out of the ground what is already there. It doesn't matter what the Olson P test says – it's in the ground, it's locked up. If we need to skip a year, I don't think it's going to make a difference in how much grass we grow.*

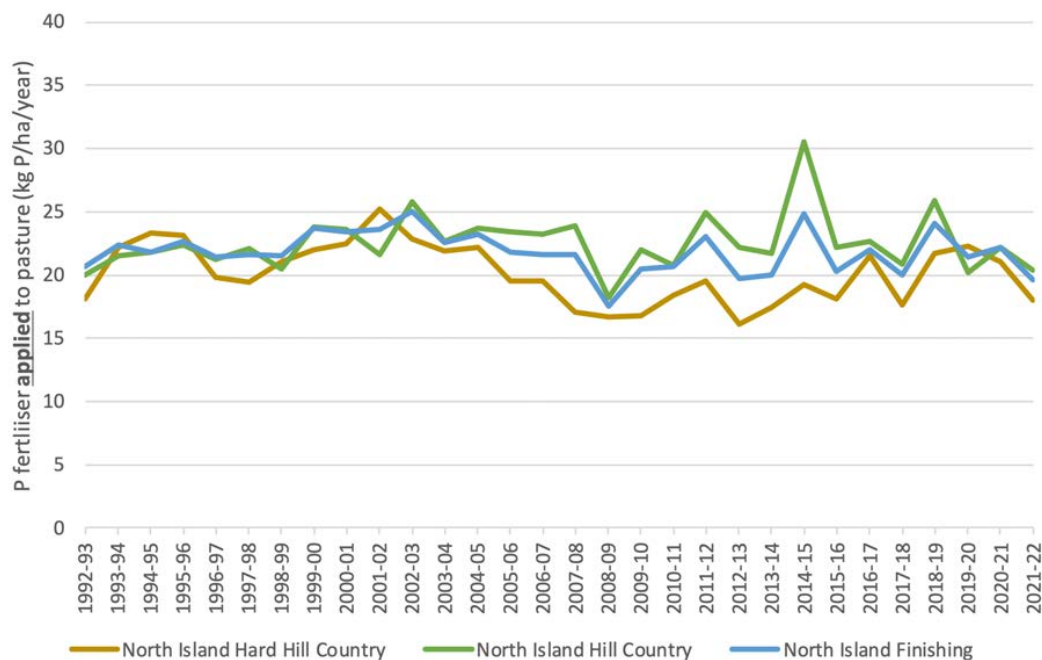


Figure 44: Use of phosphorus fertiliser on pasture on sheep and beef farms in Taranaki-Manawatū from 1992 to 2021  
Source data: B+LNZ Sheep and Beef Farm Survey

Sheep and beef farmers are usually ‘tactical’ rather than ‘strategic’ in their use of nitrogen fertiliser (e.g., as a dressing in July prior to lambing or even calving)<sup>127</sup>. Nitrogen fertiliser use is a decision that varies farmer-to-farmer with many factors coming into play (e.g., weather dependent, access to strips, cost, and profitability) (M. Flett, pers. comm., 2023). Changes in applications from one year to the next means that it is more accurate to consider nitrogen fertiliser use over multiple years, rather than just in a single year (Chrystal, Fisher, & Burt, 2023).

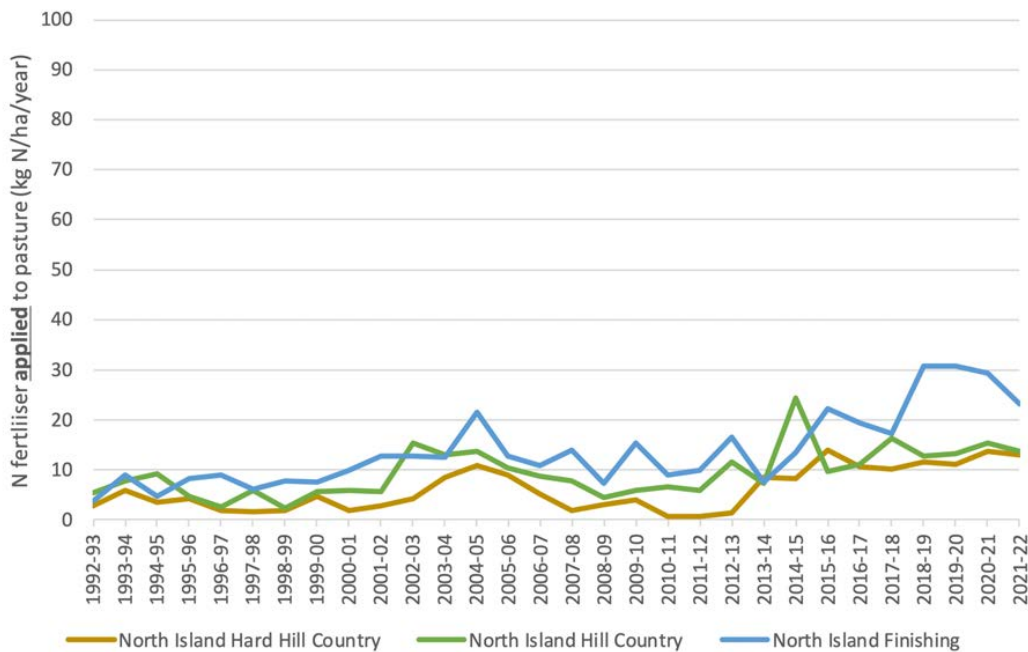


Figure 45: Use of nitrogen fertiliser on sheep and beef farms in Taranaki-Manawātū from 1992 to 2021  
 Source data: B+LNZ Sheep and Beef Farm Survey  
 Note: The scale of 0-100 on the vertical or ‘y’ axis is used to give some perspective. The National Environmental Standards for Freshwater Regulations 2020 includes a nitrogen cap for pastoral land in a landholding of 190 kg N/ha/year (excluding land used to grow annual forage crops).

The farmers interviewed made the following comments on nitrogen fertiliser:

- *I might use 25-30 kg/ha of nitrogen in either May, to build pasture cover going into winter, or July/August. We used to use up to 40 tonnes at times over the whole farm prior to lambing but haven’t done that for a few years. Mostly it is used on the easier cattle country with the bulk spreader but I’m not following the cattle beasts round and throwing it on as soon as they come out of a paddock. Hay paddocks all get a small dressing of nitrogen and potash once the hay crop comes off.*
- *I used to use nitrogen fertiliser a bit more often, we’re talking a minimal amount (the equivalent of 8 kg/ha/year over the whole farm) for some spraying and in the autumn to build covers for the winter. We pretty much just put it on our flat country that we can get to with a tractor. I’ve pulled back in the last few years because it went from \$700 a tonne to \$1,300 a tonne and then suddenly you don’t need it. I would use it every year all over the farm if it was \$500 a tonne because it would just be part of growing. You want a high marginal return on it.*

127 In other words, nitrogen fertiliser is used to cover a seasonal shortfall in pasture production after wet springs and/or dry summers rather than the farm system being dependent on it being used every year (Chrystal, Fisher, & Burt, 2023). The Taranaki farmers interviewed start lambing in early to mid-September.

- *I just use it in the autumn to build those covers for winter really. It's trying to make sure there's enough pasture cover to get the stock through winter because we don't have any crops. We do cut a bit of baleage to supplement through winter if we need to, but having decent covers going out of autumn into winter is a key thing and we use nitrogen fertiliser tactically to achieve that.*
- *We used to, a little in the autumn (about two or three tonnes in total), but we haven't the last couple of years. Just where we've got our livestock numbers now it just seems to work so we haven't used it and it's all good.*

#### 5.1.3.8 Sediment management

Where soils with low infiltration rates (e.g., Allophanic) are combined with increased slope and high rainfall there is the risk of overland flow and susceptibility to erosion. In Taranaki the exposed bluffs and gullies (especially the heads) that are stripped of vegetation are particularly susceptible to slumping and sediment loss. In general terms, the highest risk farmland is usually Land Use Capability Class 7.

In Taranaki, the Council's management of sediment in the hill country focuses on plantings, particularly poplar and manuka, and promoting changes in farm management, such as more care in the aerial spraying of vegetation and improving grazing practices. While the space-planting of poplar poles is successful in reducing erosion risk a few farmers are resistant because of issues in the past with poor site selection, the need to protect the trees from cattle, and a lack of maintenance (particularly form-pruning<sup>128</sup>). Also, natural land cover can regenerate quickly, especially where there are seedbanks in the soil. Allowing regeneration is a change in mindset for some farmers because a lot of effort has been put into land clearance in the past<sup>129</sup>. Good grazing can be available on erosion-prone slopes when it is interspersed with stabilising vegetation and matched with stock class and stock management.

One farmer interviewed described the challenge of cattle and poplars:

- *We have used poplars historically, but our high cattle ratio means they tend to get eaten. They are easy to plant but hard to protect, especially with dairy grazers. I don't know if traditional beef is the same, but when you put sleeves on them they chew the bark off round the bottom.*

The sheep and beef farmers interviewed were very aware of erosion risk and looking beyond specific plantings to a change in their management. Some were using poplars and/or adjusting their farm systems, particularly over the winter months, to protect their soils. For example, there are farmers who would traditionally carry trading cattle who are becoming more mindful of the type of cattle they are buying and are stepping away from larger two-year-old steers in the winter, either dropping down a weight class or not carrying as many, to reduce the pressure they are putting on the land.

- *We're very conscious of erosion. We took the heavy cattle off, we rotational graze, we poplar pole plant. That's about it, and we've put single hot wires around some of the erosion-prone areas so cattle can't get on them at all. There hasn't been a loss of production that I could measure. We certainly don't lose as many cattle now because they're just not getting on the worst areas.*
- *We build silt traps to catch sediment by just about every creek that leaves the property. Some are bigger, some are just a couple of bucketsful, but every stock crossing has one. And there's slightly bigger ones by the main creeks, they have a purpose but we like them for the looks as well.*

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<sup>128</sup> <https://www.trc.govt.nz/assets/Documents/Guidelines/Land-infosheets/34poleplantingmaintenance.pdf>

<sup>129</sup> Gorse is more present in the frontal hills of south and north Taranaki but is now recognized as a nursery crop and it tends to be outcompeted by manuka in the back country.

- *We had kept our cattle higher but we're now lifting our sheep numbers because the cattle intensity was too much for our steeper hill soils. We are between 10 and 12 stock units. Our sheep are running at about 750 kg live weight per hectare and our dairy grazers are at about 1,000 kg live weight per hectare wintered. Some of our bull systems are up to 1,300 kg live weight per hectare.*

Despite the rainfall in Taranaki, the sheep and beef farmers interviewed were less concerned (from their perspective) about pugging as an issue<sup>130</sup> on their farms for several reasons. The comments included “We don't really get pugging as we're not highly stocked enough” and “The soils are pretty forgiving and not being flogged with high intensity cattle. I think people are farming accordingly so that it can handle the rainfall and the stock we have on it.”

#### 5.1.3.9 Riparian and Wetland Management

In addition to sediment, many sheep and beef farmers across New Zealand are moving to change their management of riparian areas (e.g., the margins of streams, rivers, ponds) and wetlands from a focus on drainage to protection<sup>131</sup>.



*Image 39: An example of 'wet' areas stretching right up some hill faces. The farmer noted the impracticality of fencing off these areas and the lack of visible erosion. The wet/steep parts of the paddock have been allowed to regenerate and this has been done with sheep and cattle using rotational grazing.  
Source: Jacob Ladd*

<sup>130</sup> Whether pugging is an issue or not from an environmental science perspective will depend on Taranaki Regional Council's soil monitoring.

<sup>131</sup> Management of riparian margins involves the exclusion of livestock from waterways, the provision of stock drinking water, and either allowing grass to grow long to inhibit overland flow of water and/or the planting of shrubs and trees for biodiversity habitat and shade to prevent algal growth. It is likely that some of the small streams in the hill country in the past used to be wet areas that had a drain put through them.

In Taranaki, the reasons for this shift include farmers wanting to protect their livestock from becoming stuck in wetter areas on their property, the influence of Taranaki Regional Council's long-term riparian management programme (even though it targets dairy farms), and (more recently) to meet stock exclusion regulations that apply to heavier livestock (not sheep) and generally only on mapped low slope land (with some exceptions)<sup>132</sup>.

Some farmers have installed fencing and water reticulation on parts of their farm to be able to undertake dairy grazing. Several farmers interviewed had reticulated stock drinking water on their properties and saw a benefit from it for production but less so with stock exclusion. However, installation across a farm is a major undertaking and in the hill country it is cost-prohibitive<sup>133</sup>. Water reticulation involves installation (pipes, pumps, water troughs, and electricity), maintenance (e.g., finding and fixing water leaks, servicing pumps), and potential consent applications and compliance involved with the water take.

Although there is some momentum to change, each farm's situation depends on topography and soils, livestock farmed, and extent of riparian margins as well as the values of the farmer. While topography, soils and riparian margins are fairly fixed in the landscape, values are individual to the farmer and can change with farm ownership, while livestock types, breeds, and classes (i.e., sex and age) are management decisions. Situation is also dependent on farm size, particularly the grazeable area needed to be a minimum economic unit.

- *Until now, time was spent spraying and dragging drains to keep water flowing. We are fencing and planting "on the hard" so any wet area will only extend as far as the fence and loss of paddock won't be an issue. And as long as the pipe taking water away is big enough then silting of the drain shouldn't be one either, but it should be possible to reach a digger over the fence to clear it every now and again. If everyone slows the water down, then floods may not be as severe downstream.*
- *A challenge is we do have such regular rainfall. We have a lot of wet areas. That's a big thing – we have a lot of wet areas because of our rainfall. All of our farms have got soft wet rush patches all over them and a big concern of mine is how are they going to be treated with these new regulations.*
- *The wetlands we are fencing off were always going to be planted in native riparian plants for biodiversity – but now I'm feeling less engaged. The main problem is the dairy guys have had the 'carrot' approach for years and we might end up with the 'stick' approach and we need support. Also, when you do that, from day one you're fighting noxious weeds, like blackberry, so I've put sheep in those areas.*

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<sup>132</sup> The Resource Management (Stock Exclusion) Amendment Regulations 2023 require, dairy cattle, dairy support cattle, pigs, beef cattle, and deer to be excluded from specified wetlands, lakes and rivers more than one metre wide and they must not be on land closer than three metres to the bed of rivers and lakes. Dairy cattle, dairy support cattle and pigs must be excluded from the water bodies, regardless of the terrain. Beef cattle and deer must be excluded from the water bodies regardless of terrain if they are break-feeding or grazing annual forage crops or irrigated pasture – otherwise it is generally only on mapped low slope land. All of these stock types, except deer, are also subject to restrictions for crossing rivers and lakes. As of May 2024, these regulations are being amended in the Resource Management (Freshwater and Other Matters) Amendment Bill.

<sup>133</sup> An MPI report investigated the benefits of installing stock water reticulation systems on 11 hill country farms throughout New Zealand (Journeaux & van Reenen, 2016). <https://www.mpi.govt.nz/agriculture/farm-management-the-environment-and-land-use/stock-water-reticulation/>

On the steeper hill country in Taranaki, the exclusion of livestock was viewed by the farmers interviewed as impractical and in some cases may threaten the viability of the farm business. In one interview, a farmer observed that, "It's your terrain. On your flat to rolling country you can fence off your waterways and it's manageable. Costly but manageable. But anything over (LUC) class 5, it's impossible. Some of these big places down south you're talking kilometres and kilometres of fencing." Another estimated the cost, "In our country you're looking at \$25 per metre for an eight-wire fence."

- *The farm is well fenced into 50 different paddocks. There's no reticulated water, it's all just natural water. We need the creeks for stock drinking water. It's impractical for us to put in water troughs and to fence off the waterways on this steep land. And then you're going to get rain events. If we had to then we would be forced to sell the farm.*
- *If you only have cows, then two hot wires are fine. With sheep you need a batten fence, and you can't go 'in and out', you have to put a fence line in and that often means digging out a substantial fence line. You can't put a proper eight- or nine-wire fence in a swamp, it has to be on the hard ground with at least the width of a digger because you have to be able to get up there to maintain it afterwards, which is a lot of work but otherwise it is a waste of time. That space for the digger has to come from somewhere and if you take it out of the toe of the hill then you've just weakened the whole hill and it will come down in the next big rain event. Fencing off flat paddocks with a drain is one thing. The moment you go into steep country you're better to maintain the creek to keep it safe for stock and have water troughs.*
- *We have water in every paddock because it was one of the requirements when we grazed dairy heifers. It didn't matter how steep the paddocks are, or where they are, they all had to have troughs and that instantly lifts your production. We find the sheep will prefer troughs to creeks because they don't like getting stuck and will walk a reasonable distance to find a trough. Once they get used to these troughs they know where they are. You put them in strategic places and if you watch the sheep they will go to where the trough is rather than drink out of creeks.*
- *We were re-fencing part of the farm and stepped back and looked at it with a different lens. Rather than saying, "This is where the fence has always been we'll put it back up here" we'd look at it as a blank canvas and thought, "Why don't we fence with the contours of the ground and see how to effectively get the best use out of the paddock." Only time will prove whether it's the right decision or not.*
- *All our flat easier country is all fenced off anyway – the majority. It's a win-win. You're fencing it off to help with the waterways, but you're keeping your stock out of there so you're not getting liver fluke in your cattle and we're not getting sheep and calves lost in the drains. So, it depends how much at the bottom of the hills that they want fencing off – that will be the issue around here.*

To illustrate the scale of the task, a sheep and beef farmer in Taranaki measured the length of all the riparian strips on their farm (a medium-sized hill country property that the farmer considers is fairly typical of their locality). The farm has a river boundary that runs for several kilometres and around ten stream and creek tributaries that pass through the farm on their way down to the river. It also contains wet areas in gullies and roughly ten per cent of the farm is non-grazed. Overall, the farm contains, on average, just under 66 metres of waterways (rivers, streams, creeks, and open drains) per hectare. The farmer has been actively working on riparian management projects for the past decade or so, and six per cent of the total length now has stock exclusion and plantings and ten per cent of drains are filled.



Image 40: Angus beef cattle at a drinking trough on a farm in Stratford District  
Photo credit: Jacob Ladd

In addition, two sheep and beef farmers provided examples of wetlands projects they have undertaken. Wetlands can be particularly challenging to fence in Taranaki because of their shape and the nature of the soils. A farmer described the situation as: “Some of our hill country has water weeping out well up a hillside and it creeps down and becomes rushes, which is a wetland species. Anything on the hill face where you’ve got intersecting wet bits all across it is just impossible to fence off.”

In the first project, a hill country sheep and beef farmer had purchased a neighbouring block and started fencing some of the wet areas. They have recently completed fencing around a very wet valley floor (effectively a seepage wetland) to create a sediment and nutrition trap as a viable alternative to fencing all the small side springs, which was impractical. The wet area is roughly one hectare in size and the linear fencing length was 1.8 km. This length included a lot of angles and was determined by the shape of the wet area, which was described as “a long snake that extends up both sides of a gully”.

The fencing cost (materials and digger work only) was \$12 per metre for an eight wire post and batten fence (4 metre post spacings and 5 battens per space) for a total cost of \$21,600 (as detailed in Table 22). No other labour is costed as the farmers completed the work themselves over a period of around 18 months. They commented:

*We did the earth works first but because these types of areas are so wet, they take time to settle and stop slumping, which needs to happen before the fence can go in. Then after about 14 months, we put the digger back through to tidy up again, and then constructed the fence when we had time.*

The cost would rise considerably if any labour or a fencing contractor was included. The area was overgrown in barberry, so it was sprayed with herbicide by a helicopter. The farmer has subsequently started planting natives as and when they can afford to, with about 1,500 Manuka seedlings now in place to start building up some vegetative cover. The farmer estimated that if this project was replicated for all the wet areas on the farm, then the cost would easily exceed \$300,000 (excluding labour and plants).

Table 22: Fencing costs (materials only) to exclude stock from one hectare of seepage wetland

30 strainers	\$1,200
220 posts (quarter rounds)	\$4,000
1,250 battens	\$2,500
12 coils of wire	\$1,200
20 y posts as foots	\$200
Staples	\$200
Digger	\$3,000

In the second project, hill country sheep and beef farmers have completed the fencing off of a wetland as part of a programme of environmental actions across their property. As with the example above, this wetland is just over one hectare in size but is flatter land and the length of fencing was 932 linear metres. The fence is seven wires (all battened) at \$27 per metre for a total cost of \$25,000 (all materials and including most labour), which was funded out of cash flow (rather than borrowing). A fencing contractor was used for the posts and wires, and the farmers did all the battening of the fence themselves. The wetland has since been planted with 1,200 trees that cost an additional \$5,000 and were funded by the Taranaki Regional Council<sup>134</sup>.

The farmer commented: “You’re effectively adding another garden to your farm, and you don’t get much productive value out of it. Another garden is quite overwhelming really. It is going to look amazing and we’ll have great biodiversity, but it’s a whole other job looking after the trees with weed and pest control. They’re expensive fences to put up too because there are so many angles in them. They’re not straight, you’ve got to go round to follow the waterways. In some parts they will be 10 metres back and in other parts they won’t be.”

#### 5.1.3.10 Farm Environment Plans and Freshwater Farm Plans

An important tool for sheep and beef farmers to manage issues such as sediment losses and excess nutrients on-farm is a B+LNZ Farm Environment Plan<sup>135</sup>, which is one component of B+LNZ’s wider programme of farm planning. There are also Taranaki Regional Council’s Comprehensive Farm Plans<sup>136</sup> or (more recently) the Government’s Freshwater Farm Plans<sup>137</sup>.

<sup>134</sup> Mānuka plugs are relatively cheap (\$1.20 per plug) whereas the costs of mixed native plantings are much higher. Planting mixed natives is estimated to be around \$5,000 a hectare plus pest control (but not weeds). One approach is to plant mānuka and in-fill it later with mixed natives that is then registered as a forest and may be selective harvested long-term.

<sup>135</sup> <https://beeflambnz.com/knowledge-hub/farm-planning>

<sup>136</sup> At the end of 2023, the Council’s farm plans covered 76 per cent of pastoral farms in the eastern hill country. Almost all of the larger properties were mapped and are engaging with the Council’s land sustainability team and most of the remaining properties are small (below 200 ha). <https://www.trc.govt.nz/environment/working-together/farm-and-property-plans/>

<sup>137</sup> <https://www.mpi.govt.nz/agriculture/farm-management-the-environment-and-land-use/protecting-freshwater-health/freshwater-farm-plans/>



There were a wide range of responses (and levels of enthusiasm) on the topic of farm plans from the farmers interviewed:

- *I've started a Farm Environment Plan. It's partially there, but its inside my head. If the weather changes and my stock were meant to be in the paddock a bit longer (according to the plan) but it's been raining so I can't leave them, they've got to go out before they start making a mess. What's the point of going by a plan?*
- *Yes, I have a Farm Environment Plan and no, I don't use it.*
- *Yes, and we are currently working towards a Farm Environment Plan Plus.*
- *Yes, I have a Farm Environment Plan and I'm working through that one, but we've got the Council one as well.*
- *Dad had a Council farm plan early on and it is quite interesting to look back at the programme of works or areas of the farm to retire to see what did or didn't happen. One tree per two hectares for shade was the goal back then.*
- *I'm working to the Farm Environment Plan, we've also had a Council farm environment plan done.*
- *Yes, we have a Farm Environment Plan, and I was enthusiastic enough to get a Council plan early on as well.*

Sheep and beef farming catchment groups are beginning to undertake baseline health assessments. For example, the *Tarata Catchment Baseline Environmental Health Assessment* (Nagel & Webber, 2024) was completed to help the local community understand the current state and determine environmental actions to improve freshwater outcomes.

One farmer concluded about Freshwater Farm Plans:

- *There's a bit of give and take with them, that's all that's needed. Not everybody is in the same situation. If you've just bought the farm, you simply don't have the funds, but when you've had the farm a while then you can do more, and when the thing is paid off, even more. But you can't just do everything all at once, it just doesn't work that way.*



Image: 41: Stock exclusion from an ephemeral stream  
Photo credit: Sarah Coogan

## 5.2 Horticulture

Horticulture covers an array of vegetable, fruit, herb, and flower/foilage crops that are grown for both domestic and export markets<sup>138</sup>. Each crop has its own unique set of growing conditions that, together with its life cycle (annual, biennial, or perennial), influences the length and nature of a grower's crop rotations (or lack thereof in the case of perennial crops). As well, horticultural crops can be grown outdoors and/or indoors using a variety of production systems. Such industry characteristics create high levels of complexity and diversity between growing operations.

Horticultural operations are generally grouped as either market gardens or orchards. The distribution of these operations in New Zealand is influenced by a complex array of factors, including topography, soils, climate, land and labour availability, access to processing facilities, distance to distribution centres and markets. While some of these factors are advantages for the sector in Taranaki, others currently act as constraints. In 2014, Venture Taranaki identified four main constraints on horticulture that existed at the time:

1. *The regional economy is buoyant as a result of the high prices received for oil and gas as well as dairy production in world markets. There appears to be little regional drive for diversification.*
2. *Much of the region's horticultural development has been undertaken by individuals who wish to live and work in Taranaki and have combined lifestyles and business, rather than because the region has been identified as having a comparative advantage in the production of particular crops. The exception to this has been ornamental plant and flower businesses.*
3. *There is limited access to infrastructure, including limited transport options; packing processing and export facilities; consultancy services; locally based research institutions; educational opportunities.*
4. *The price of land suited for horticulture in the region is high, and horticulture must compete for land that is also valued for dairy development or for rural lifestyle blocks. However, the prices for such land in other regions are also high. While the majority of those interviewed during the study consider that land prices are a constraint to horticultural development, it may be that land prices are not sufficiently low in Taranaki to encourage horticultural development despite the other constraints.*

### ***The Potential for Horticultural Development in Taranaki (Greer, 2014)***

As a result of these and other constraints, horticulture has less of a presence in Taranaki when compared to 1) agriculture in the region and 2) horticulture in other regions. Using *Fresh Facts*<sup>139</sup> data, from 2012 to 2022 the area used in Taranaki for growing outdoor fruit and vegetable crops ranged from 102 to 117 hectares. By comparison, 2022 StatsNZ data indicates the total area used for horticultural crops was 150 hectares (including 25 ha of nursery crops). Estimates of the additional area used for indoor crops range between 1.8 hectares and 4.2 hectares (E. Levenson<sup>140</sup>, pers. comm., 2024). The main growing hub for horticultural crops is located around New Plymouth City, close to labour and a local market. In 2024, there are 23 registered growers in the region, including three indoor growers who largely produce for the domestic market (E. Levenson, pers. comm., 2024).

<sup>138</sup> Crops grown for domestic supply are particularly important for food security. Growing fruit and vegetables in a variety of locations across New Zealand is efficient because it takes advantage of the different climates, harvest timings, close proximity to population centres, and minimises risk from disruptive events (e.g., weather event, natural disaster, biosecurity incursion) (Roberts, 2022).

<sup>139</sup> Fresh Facts collects produce industry data to improve knowledge of the industry. It was published by Plant & Food Research from 1999 to 2022 and, since 2023, by United Fresh. <https://unitedfresh.co.nz/technical-advisory-group/fresh-facts>

<sup>140</sup> Environmental Policy Advisor, Horticulture New Zealand.

This small growing area is a turnaround from 40 years ago. In 1979-80 there was 1,788 hectares in commercial horticultural production in Taranaki (or planted in shelter with that intention), having risen rapidly from 396 hectares in 1976-77 (Hockings, 1981). At the time there were 90 horticultural and cropping growing operations, and “an increasing awareness that much of the climate and soils of Taranaki are ideal for a wide range of horticultural production”, particularly on a coastal strip from Okato to Urenui (Hockings, 1981). A Taranaki Horticultural Liaison Committee predicted a total of 3,200 hectares by 1982-83: “While some of the expansion is from established growers, most in Taranaki is from new entrants to horticulture, mainly part time small block owners, and to a lesser extent, diversification by established grassland farmers” (Hockings, 1981).

However, Taranaki experiences a high incidence of adverse climatic events that have at times inflicted considerable damage on horticultural enterprises (Greer, 2014). In 1988 during Cyclone Bola glasshouses were blown out, and cash crops valued at millions of dollars were decimated. Losses were estimated to be between 30 and 50 per cent of export crops in Taranaki (valued at up to \$1 million). Some kiwifruit crops were completely lost and most of the crop was bruised and unsuitable for export. There was also considerable damage to vines and shelter plantings. Tamarillo crops also suffered severely during the storm (NIWA, 2008).

In the past some horticultural crops have had more of a representation in Taranaki (e.g., kiwifruit, asparagus, berryfruit, feijoas) (Greer, 2014)<sup>141</sup>. By 2014 production was limited to small areas of a diverse range of fruit and vegetable crops that were almost exclusively grown for the domestic market, and some export flower and ornamental production (Table 23). At the time opportunities were identified for crops, such as manuka honey (Greer, 2014), kiwifruit, and avocados (HortNZ)<sup>142</sup>. Horticulture has since been promoted by Venture Taranaki via the ‘Branching Out’ Project<sup>143</sup>. Around 207,000 hectares of land was identified as possibly suitable for horticulture (Clothier, 2020)<sup>144</sup> and there are examples of some diversification<sup>145</sup>.

A crop’s total land area does not always fully reflect its importance. Some tend to use more land than others and, even within a crop type, the land needed for commercial viability can depend on the production system. For instance, vegetables grown indoors have a much higher yield per hectare than outdoor growing, and orchards tend to be commercially viable at a smaller size than market gardens.

While horticulture tends to be a smaller land use it creates high levels of employment. In 2020 the sector employed roughly 250 people in Taranaki, including owner-operators, with just under 87 per cent in the New Plymouth District and just under 13 per cent in the South Taranaki District (StatsNZ supplied by Market Economics). However, these employment statistics are a snapshot in February each year and may not fully capture seasonal differences.

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<sup>141</sup> As an aside, a fungus growing in the bush provided many Taranaki dairy farmers with the means to keep their holdings between 1875 and 1885 (Burgess & Scott, 1951). Mr Chew Chong recognised the fungus as similar to an edible fungus greatly prized in China as a vegetable and exported it. In 1885 the fungus, known as ‘Taranaki wool’, earned the Province more than the total value of butter shipped in that year.

<sup>142</sup> <https://www.hortnz.co.nz/news-events-and-media/media-releases/taranaki-branches-out-into-horticulture/>

<sup>143</sup> ‘Blueprints’ have been developed for a range of horticultural crops, with field trials underway for many of them. Such crops include avocados, kiwifruit, vegetables (kūmara, sweetcorn, garlic), gin botanicals (e.g., angelica, liquorice), and medicinal plants (e.g., echinacea, ashwagandha). <http://www.venture.org.nz/projects/branching-out/>

<sup>144</sup> Based on a GIS analysis of four basic criteria: LUC Class, slope, growing degree days, and frost-free days. Specific assessments were also carried out for apples, kiwifruit, avocados, blueberries, hops, hemp and cannabidiol cannabis, hazelnuts, walnuts, potatoes, and wine grapes.

<sup>145</sup> <https://www.rnz.co.nz/news/country/451478/horticulture-making-a-comeback-in-taranaki>; <https://www.stuff.co.nz/taranaki-daily-news/news/130314682/yes-its-dominated-by-dairy-farms-but-taranakis-fruit-and-vegetable-growers-on-the-rise>

In 2002 the main outdoor vegetable crops grown in Taranaki were potatoes and asparagus with very small areas of a range of others. In 2007 and 2012 potatoes appear to have been the only vegetable crop grown on any scale but have now largely disappeared, replaced to some extent by brassicas and sweet corn (not maize). Outdoor vegetable production can be difficult to track because of crop rotations<sup>146</sup> and the use of lease land. There are also small areas of indoor vegetables (e.g., capsicums, tomatoes, lettuces and leafy greens, and herbs) as well as flower and foliage production.

The main fruit or nut crops grown in 2002 were avocados and kiwifruit, although there were also small areas of other crops, particularly subtropical crops. By 2012 avocados remained but kiwifruit production had fallen away and focus had shifted to feijoas and tamarillos. Since this time kiwifruit and summerfruit, particularly plums, have become more prominent. More recently, there has been increasing interest in kiwifruit and avocados, particularly in South Taranaki<sup>147</sup>. Passionfruit and citrus were also grown in Taranaki in 2024 (E. Levenson, pers. comm., 2024).

The potential for these crops and others is likely to partly depend on the availability of irrigation water. In 2022, an estimated 31 hectares of hectares of land was irrigated for fruit crops (the irrigated area for vegetable crops was suppressed). While sufficient water is essential for yields for all crops, it is particularly important for rootstock survival for perennials (i.e., orchards). If plants fail and need replacing then it can take several years for an operation to return to full production (Moran, 2023).

Figure 46 shows the main fruit and nut crops grown outdoors in Taranaki by area in five year steps from 2012 to 2022, as reported in Fresh Facts. However, Table 23 indicates that there were more crops in the region at the time<sup>148</sup>. The variability in horticultural crops over time underlines the need for growing operations to be flexible as they respond to shifts in market conditions. Figure 47 uses StatsNZ data and shows a more detailed range of horticultural crops grown outdoors in 2022. It highlights the areas of summerfruit, such as peaches, apricots, nectarines, and plums. Figure 48 shows most of the horticultural crops grown indoors in 2022 (metric is square metres). By comparison, the 2017 StatsNZ Agricultural Production Survey recorded 11,000 square metres of salad greens and 9,000 square metres of tomatoes. Herbs and microgreens are now also grown (E. Levenson, pers. comm., 2024).

All growers who sell at a commercial scale in New Zealand use Good Agricultural Practice (GAP) programmes to meet market and regulatory requirements, both domestically (NZGAP) and for exports (GLOBAL G.A.P.) (Roberts, 2022). The GAP programmes are designed in a modular approach, where growers can meet requirements for food safety, employment law, and environmental regulation, through an integrated certification and audit process (Roberts, 2022). Over 90 per cent of New Zealand's commercial fruit and vegetable growers are GAP certified (Roberts, 2022). In the Environment Management System add-on to NZGAP, growers can use over 60 practices to manage their nutrients, soils, and irrigation to good and best management practice (Roberts, 2022). This add-on is to be benchmarked to Freshwater Farm Plans (E. Levenson, pers. comm., 2024).

<sup>146</sup> Crop rotation is the practice of changing the crop species grown in the same soil. Crops are grown in a specific sequence, or in rotation with pasture for animals, to manage soil health, pests and diseases. Over time, crops in a rotation perform better than those in continuous production. <https://storymaps.arcgis.com/stories/c55248b6c960475eb9913f95dab89680>

<sup>147</sup> [www.nzherald.co.nz/the-country/news/horticulture-making-a-comeback-in-taranaki/XHDYPXOW6XTKSGIKWYTALEKAZU/](http://www.nzherald.co.nz/the-country/news/horticulture-making-a-comeback-in-taranaki/XHDYPXOW6XTKSGIKWYTALEKAZU/)

<sup>148</sup> Some of the variation in Fresh Facts data is due to differences in data collection methods over time. Not all growers are registered with Horticulture New Zealand.

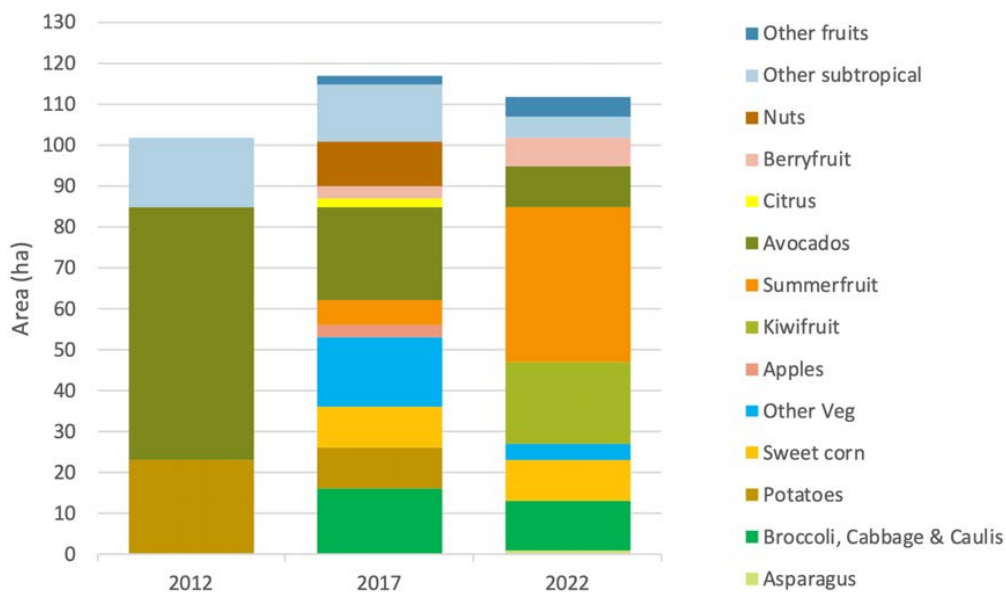


Figure 46: Changes in outdoor vegetable, fruit and nut crops grown in Taranaki grown from 2012 to 2022

Source data: Fresh Facts 2022

Note: Any crops with suppressed data for confidentiality are not reported.

Table 23: Minor crops grown in Taranaki in 2014

Pipfruit	Apples and Nashi pears
Summerfruit	Peaches
Berries	Blueberries, boysenberries, raspberries, strawberries
Citrus	Oranges, grapefruit/goldfruit, lemons, mandarins, tangelos
Olives and nuts	Chestnuts, hazelnuts, macadamia, walnuts
Other fruits	Table grapes
Outdoor vegetables	Asparagus, broccoli, cabbage, carrots, cauliflower, cooking herbs, green beans, kumara, lettuce, onions, squash, sweet corn, tomatoes <sup>149</sup>
Indoor vegetables	Capsicum, cooking herbs, lettuce/salad greens, tomatoes

Source data: Greer (2014)

<sup>149</sup> While tomatoes are technically a fruit, they are usually grouped with vegetables within the horticultural sector because of their growing system and consumer perception.

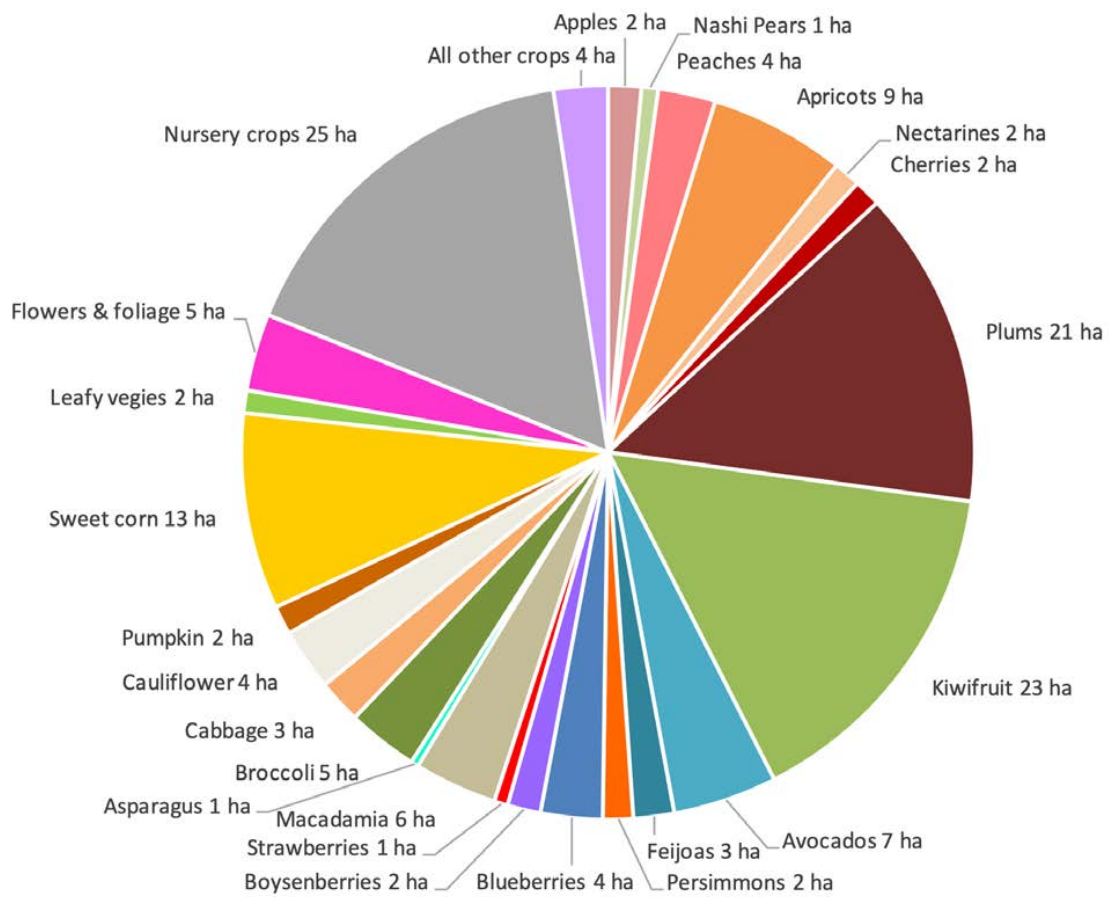


Figure 47: Estimated distribution of horticulture crops grown outdoors in Taranaki in 2022  
 Source data: StatsNZ Agricultural Production Statistics  
 Notes: The data reported is for planted area, canopy area, or harvested area as appropriate. Any crops with suppressed data for confidentiality are not reported. Nursery crops were not included in the Fresh Facts data.

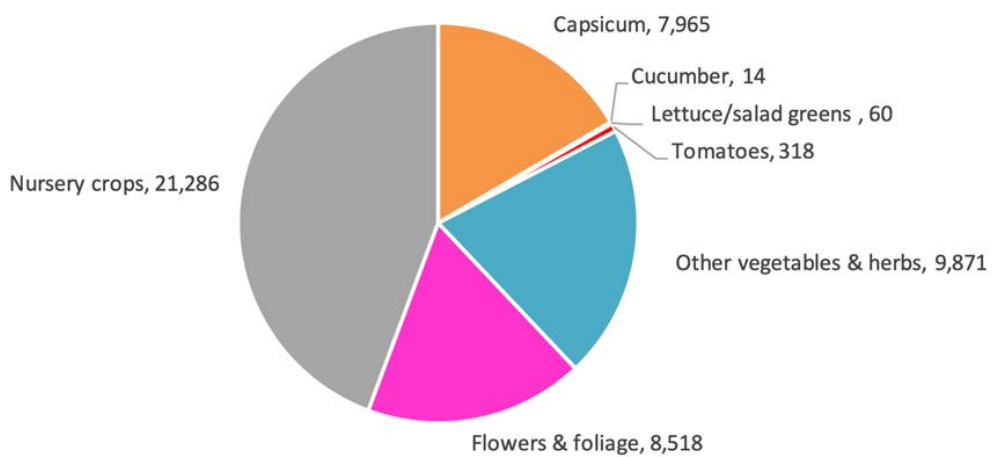


Figure 48: Estimated distribution of horticulture crops grown indoors (square metres) in Taranaki in 2022  
 Source data: StatsNZ Agricultural Production Statistics  
 Notes: The data reported is for harvested area or grown indoors as appropriate. Any crops with suppressed data for confidentiality are not reported.

### 5.3 Forestry

The forestry sector in Taranaki consists predominantly of commercial plantation forestry and, to a lesser extent, farm forestry (discussed briefly at the end of this section). Taranaki is part of the Southern North Island wood supply region – one of nine such regions in New Zealand<sup>150</sup>. Using Statistics New Zealand Agricultural Production Statistics for 2022, the total area of exotic tree plantations intended for harvest in Taranaki was 30,436 hectares, much of which is in the east of the region. Of this total area, 5,875 hectares (19%) was in the New Plymouth District, 9,598 hectares (32%) in the Stratford District, and 14,963 hectares (49%) in the South Taranaki District. Figure 49 compares these exotic tree plantations across all regions in New Zealand’s North Island. It shows that the proportional area of commercial plantation forestry in Taranaki is, at present, relatively small.

Stratford District includes the 4,240 hectare Te Wera Forest, which originally began being planted in 1953 by the NZ Forestry Corporation<sup>151</sup>. In the early years multiple species were trialled to identify what grew well in the region. Of the total forest area, 2,298 hectares (54%) is stocked (99% *Pinus radiata* and 1% mix of Douglas fir and Tasmanian Blackwood), 1,535 hectares are native (including ecosystems), and 407 hectares are classed as non-productive. Te Wera Forest is on land under forest lease. China Forestry Group Corporation currently hold the harvesting rights and it is managed by NZ Forestry Ltd. Ngati Maru is the owner of the whenua (transferred back from the Crown in July 2022).

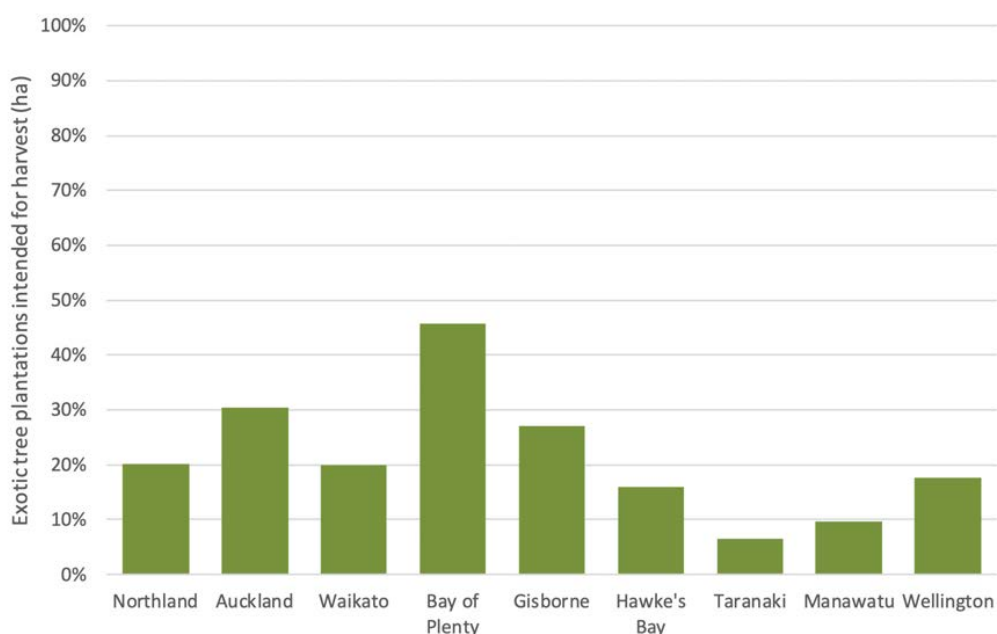


Figure 49: Area of plantation forestry as a share of total production land in all regions in North Island as at 30 June 2022  
Source data: StatsNZ Agricultural Production Statistics 2022

<sup>150</sup> The Ministry for Primary Industry, New Zealand Forest Owners Association, and the New Zealand Farm Forestry Association collectively produce the annual National Exotic Forest Description. This publication groups New Zealand’s 66 territorial authorities into the following nine wood supply regions: Northland, Central North Island, East Coast, Hawke’s Bay, Southern North Island, Nelson and Marlborough, West Coast, Canterbury, and Otago and Southland. These wood supply regions have broadly similar growth patterns for radiata pine, representing wood supply and processing catchments.

<sup>151</sup> <https://nzforestry.co.nz/wp-content/uploads/2023/07/Management-Plan-Te-Wera-V2.pdf>

The 2023 National Exotic Forest Description data indicates that Taranaki’s production forest estate<sup>152</sup> is at least 20,600 hectares. The estate is predominantly radiata pine, with a lesser area of softwoods (other than Cypress), and minor areas of Douglas fir, Cypress species and Eucalypts (National Exotic Forest Description, 2023). The total area was 20 per cent in the New Plymouth District, 32 per cent in the Stratford District, and 49 per cent in South Taranaki District (National Exotic Forest Description, 2023). These areas represented a marginal expansion since 2018 of 1,295 ha across the region: 182 hectares in New Plymouth District and 679 hectares in South Taranaki District, and a decrease of 334 hectares in Stratford District. Overall, Taranaki accounts for 11.4 per cent of the Southern North Island wood supply region.

In 2016, forecast wood availability in Taranaki from 2013 to 2042 showed peak regional supply of logs occurring from mid to late 2020s (Table 24) and a local supply shortfall in some log grades was predicted to occur by the 2030s without new forest plantings (Parker, 2016). Forestry is a sector being promoted by Venture Taranaki via the ‘Branching Out’ Project<sup>153</sup>.

Table 24: Estimated wood availability for five year periods from 2013 to 2042 (cubic metres)

District	2013-17	2018-22	2023-2027	2028-2032	2038-2037	2038-2042
New Plymouth	61,754	60,632	89,207	80,011	31,367	33,907
Stratford	63,032	80,052	236,479	40,742	9,146	2,064
South Taranaki	83,342	297,781	415,034	139,349	18,372	26,351
New Zealand	20	18	336	33	106	43

Source: Parker (2016)

Small volumes of indigenous logs may be milled in the Southern North Island Wood Supply Region under permits obtained through the Forests Act (1993) (MAF, 2009). In Taranaki, rimu is commonly present in hill-country forest in low densities (often less than 10 stems per hectare), with occasional kahikatea, matai, miro and totara, over-topping a tawa-dominant canopy, with less frequent hinau, rewarewa, pukatea, northern rata and maire, while inland the beech element of the forest (black and hard beech) is confined to dry sandstone ridges (Te Uru Rākau – New Zealand Forest Service, 2019).

Farm forestry is the growing of trees or woodlots on farms as shelter belts, riparian buffers, amenity plantings, or a source of additional income (particularly to support farm succession). While woodlots often focus on pinus radiata, they can include species grown for speciality timbers. This timber is used for structural timbers, flooring, furniture, decking, panelling, cladding, and sleepers<sup>154</sup>. Farm forestry tends to occur on a farm’s less productive areas and is usually complementary to its other enterprises. Woodlots provide benefits, such as improving stock welfare, and can greatly increase stock survival rates. In Taranaki, shelter belts and larger plantings for income tend to occur on drystock farms while the planting of trees within riparian buffers is increasingly present across the rural landscape.

<sup>152</sup> Exotic forest planted with the primary intention of producing wood or wood fibre.

<sup>153</sup> <https://www.venture.org.nz/projects/branching-out/trees/>

<sup>154</sup> More information is available at: <https://www.nzffa.org.nz/specialty-timber-market/timber/>



Figure 50 shows the distribution of Taranaki’s production forest estate by age class and district in 2023 while Figure 51 compares this age distribution at a regional scale with what it was in 2018. Pinus radiata grown for framing at 400-600 stems per hectare will usually reach an optimum harvest volume in 24 to 30 years, and 30 to 35 years for clearwood<sup>155</sup>. In 2022, the area of harvested exotic forest in the region awaiting restocking was around 1,500 hectares (StatsNZ Agricultural Production Statistics).

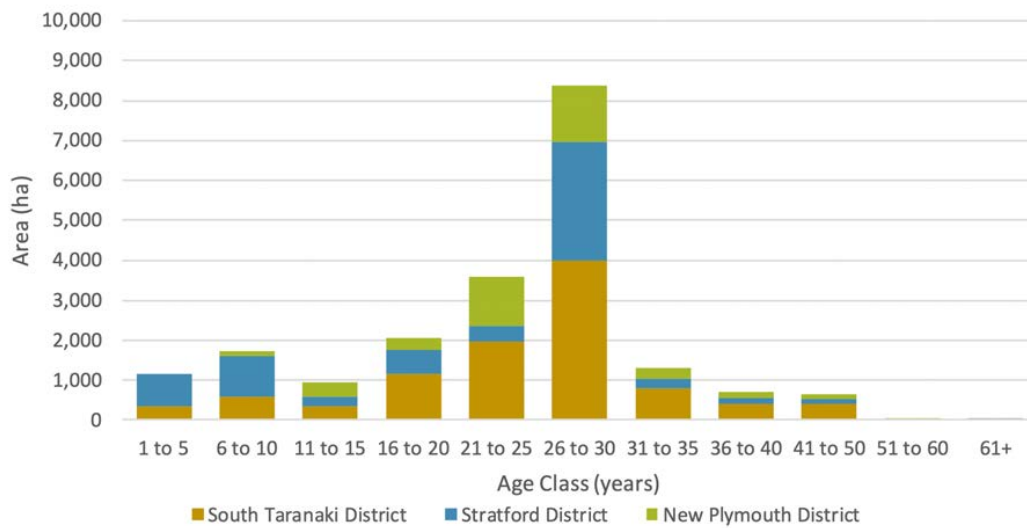


Figure 50: Distribution of forest area (all species) by age class and district in Taranaki, as at 1 April 2023  
Source data: National Exotic Forest Description 2024

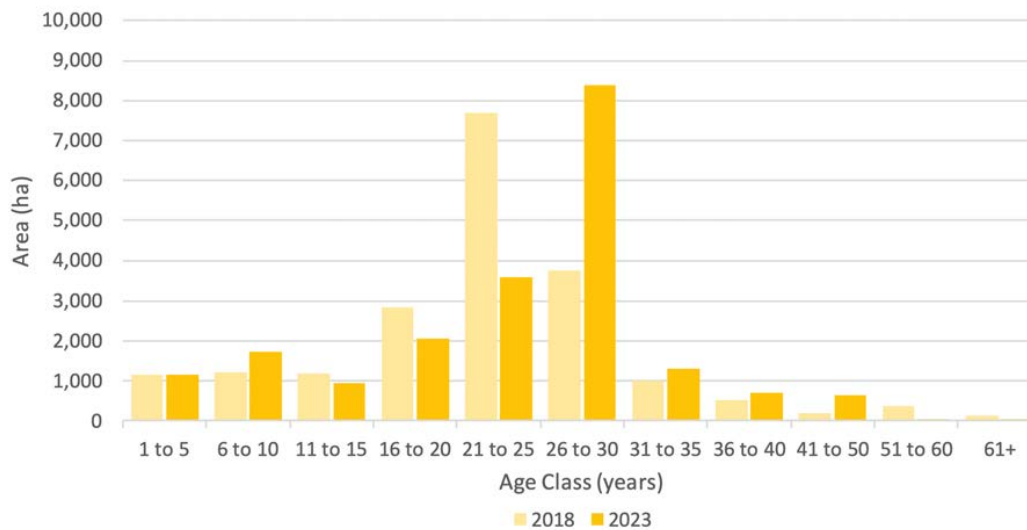


Figure 51: A comparison of the age class distribution of forestry (all species) in Taranaki in 2018 and 2023  
Source data: National Exotic Forest Description 2019 and 2024

<sup>155</sup> <https://www.nzffa.org.nz/farm-forestry-model/species-selection-tool/>

Under the Government’s Emissions Trading Scheme, forestry owners now may be able to earn ‘carbon credits’<sup>156</sup>. Whether forest land is eligible for this scheme is partly based on the size and cover of the forest, and when it was first established. An important consideration is whether the trees on forest land were planted (or first established) after 31 December 1989 (the land’s subsequent history also is also a factor). A distinction is also made between standard forestry or permanent forestry<sup>157</sup>. Figure 52 shows the split of pre-1990 and post-1989 forest land by district in Taranaki in 2016, with post 1989 forest being heavily weighted towards South Taranaki District.

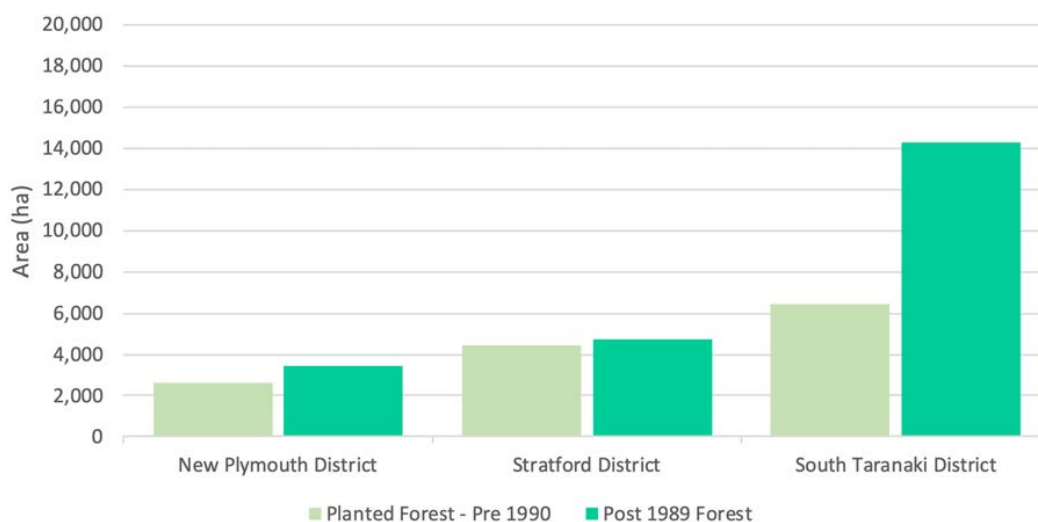


Figure 52: Estimated distribution of pre1990 planted forest by district in Taranaki in 2016  
Source data: Ministry for the Environment – Land-Use and Carbon Analysis System (LUCAS).

Close to one million cubic metres of logs were exported through Port Taranaki in the year ended March 2020 with a total value of \$147 million, some of which were from the Whanganui region. Some wood processing occurs in the region via eight sawmills. One is Taranakipine<sup>158</sup>, which processes 100,000 tonnes of logs a year from Te Wera forest. In 2021 Taranakipine purchased \$24 million of logs and timber annually and sells \$65 million of finished products (Venture Taranaki, 2022). However, there is little to no local demand for chip logs or sawmill slab chip, and so it is either transported out of the region for marginal returns or left in the woodlot or forest (Parker, 2016).

Taranaki is seen as a good location for other timber processing facilities, such as biorefineries, although the investment needed is likely to be considerable (Venture Taranaki, 2022). In their Wood Energy Industrial Symbiosis project (2014-2018)<sup>159</sup>, Scion looked at forestry and energy resources, and wood processing and other industry region by region. The results were shown in a series of maps, with the Taranaki map reproduced as Image 42. The Taranaki map highlights some of the connections between industries within the forestry sector and others in the regional economy.

<sup>156</sup> Carbon credits are ‘New Zealand Units’: one unit is 1 tonne of carbon dioxide, or equivalent greenhouse gases.

<sup>157</sup> <https://www.mpi.govt.nz/forestry/forestry-in-the-emissions-trading-scheme/about-forestry-in-the-emissions-trading-scheme-ets/post-1989-forest-land/>

<sup>158</sup> <https://taranakipine.co.nz/>

<sup>159</sup> Industrial symbiosis is “Clustering industries near one another, and near renewable raw materials and energy resources, encourages industrial symbiosis where the wastes or byproducts of one company become the raw materials for another. Acting co-operatively, operating costs can be reduced and new business and job opportunities created.” <https://www.scionresearch.com/science/bioenergy/towards-biorefining/industrial-symbiosis-regional-maps>

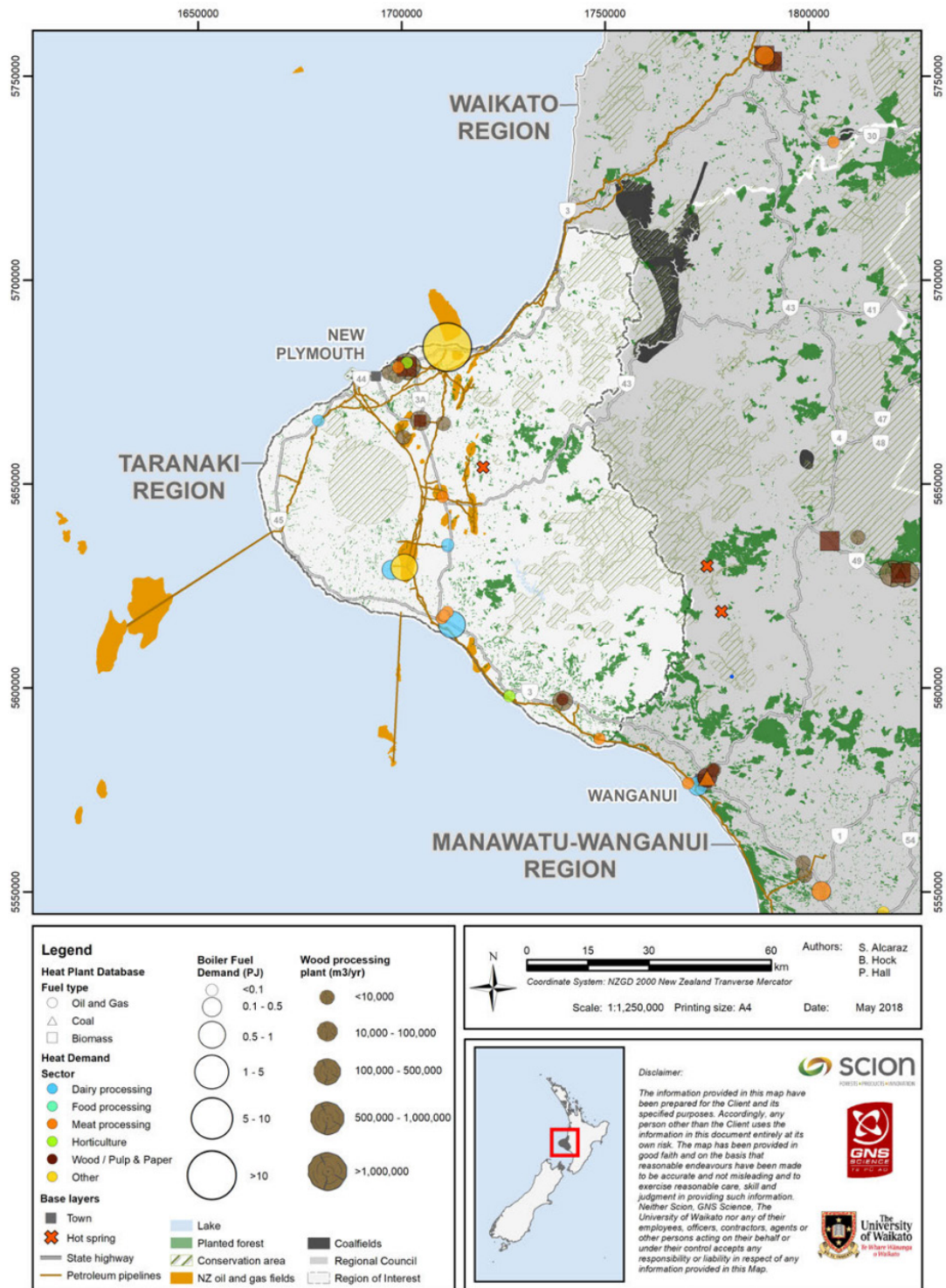


Image 42: Taranaki Regional Council Wood Energy Industrial Symbiosis  
Source: Scion Research

## 6 The Taranaki Economy

*Broadly speaking, an economy is made up of ‘economic agents’ (i.e., firms, households, government, and banks) who work together through a complex network of relationships to produce and consume goods and services. For the analysis in this chapter, the firms in this network are grouped by 109 ‘industries’ within the primary, manufacturing and service sectors. Each industry is referred to using its standard industry name from the Australian and New Zealand Standard Industrial Classification (ANZSIC). While technically correct, these industry names can be ‘wordy’ so they are highlighted in blue in this chapter to help with readability.*

As is the case in all regions of New Zealand, Taranaki’s economy was shaped by, and depends on, the environment. Over time people have made use of the region’s natural resources, broadly speaking its land and water, to create its built and financial resources. This past influences the present, and the regional economy consists of complex and interconnected patterns of activities and infrastructure, with each district having its own unique character. These patterns will influence how the economic impacts of the new Regional Land and Freshwater Plan will play out across the region in the future.

This chapter gives an overview of Taranaki’s economy and the three district economies that it consists of. In doing so it builds on the land use patterns and demographic information in Chapters 3 and 4 as well as the more in-depth look at agriculture and forestry in Chapter 5. It uses Market Economics’ Taranaki Multi-Regional Input-Output Table (refer to Section 1.4) to present major trade flows for Taranaki. The economy is then considered from two perspectives – employment and value added. Employment is a critical measure for understanding the impacts on local communities and the social value of a job goes beyond the income earned<sup>160</sup>. Value added is also important but can be owned either within the region or beyond. A third perspective (but only reported to a limited extent here) is gross output, which is useful when considering industry or sector levels. All three metrics are explained in the following sections. In the analysis, the chapter highlights those industries that are more likely to be relevant to the proposed Regional Land and Freshwater Plan because of their water use (either as a take or discharge).

### 6.1 Major trade flows

The Taranaki Multi-Regional Input-Output Table was used to create a diagram of major trade flows between industries in each district of the region (Image 43). In essence, the diagram shows the basic structure of the economy. The district scale is useful for indicating where economic specialisation is located and the factors that might be driving the region’s comparative advantages in different industries. The major trade flows diagram shows: 1) the five largest financial flows in each of the three districts; and 2) the largest 40 remaining financial flows across the region.

This dual method gives a more balanced representation across the three districts than would have been the case if only the region’s largest flows had been used. In the latter case Stratford District would have one industry shown (**electricity generation and on-selling**), and three industries shown in South Taranaki District (**dairy cattle farming**, **dairy product manufacturing**, and **oil and gas extraction**). In other words, the economy is heavily weighted towards the New Plymouth District.

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<sup>160</sup> It is important to move beyond the simple number of jobs as the sole indicator of employment benefits (Quigley & Baines, 2014). The social benefits of having a job for individuals and their households include (but are not limited to) improving living standards, helps people gain meaning from their life, increases social connections, reduces substance abuse, and reduces mental health issues. Those for the local community can include increasing available resources, increasing trust and understanding (including for minority groups), and increasing civic engagement.

The numbers on the arrows in the diagram are simply the values (\$ millions) of intermediate demand (i.e., sales and purchases)<sup>161</sup> between industries. The relative sizes of these values are reflected in the thickness of each arrow. An industry's intermediate demand and final demand (i.e., exports or domestic consumption) makes up its gross output. An industry's primary inputs (e.g., imports), intermediate demand (as purchases from other industries), and the value added component makes up its gross input. In theory, gross input is equivalent to gross output.

Using this method, the regional economy (as represented in the diagram) is clearly dominated by [oil and gas extraction](#) as well as [dairy cattle farming](#) and [dairy product manufacturing](#). Also central to the economy in terms of its interconnections is [electricity general and on-selling](#) in Stratford District. Beyond this, it tends to focus on industries that fall within seven of the ANZSIC Classification's 19 broad industry divisions:

1. Agriculture, Forestry, and Fishing
2. Mining
3. Manufacturing
4. Electricity, Gas, Water, and Waste Services
5. Construction
6. Rental, Hiring and Real Estate Services
7. Professional, Scientific and Technical Services

The remaining 12 industry divisions all sit within the service sector (noting that Rental, Hiring and Real Estate Services; and Professional, Scientific and Technical Services are also within the service sector).

1. Wholesale Trade
2. Retail Trade
3. Accommodation and Foods Services
4. Transport, Postal, and Warehousing
5. Information Media and Telecommunications
6. Financial and Insurance Services
7. Administrative and Support Services
8. Public Administration and Safety
9. Education and Training
10. Health Care and Social Assistance
11. Arts and Recreation Services
12. Other Services

Importantly, the diagram only records the largest financial flows between industries in the region – it does not represent all flows between the industries shown nor the flows to other industries in the regional economy that are not shown. For example, the flow from [agriculture, forestry, and fishing support services](#) to [sheep, beef cattle, and grain farming](#) in South Taranaki is not shown on the diagram. Another example is the flow from [oil and gas extraction](#) to [fertiliser and pesticide manufacturing](#) is not shown but the flow from there on to [dairy cattle farming](#) is shown (one of the uses of natural gas is to produce urea, a nitrogen fertiliser largely used in dairying – another use of natural gas is to produce electricity, which is also used in dairying).

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<sup>161</sup> Intermediate demand is the technically correct term, but it is sometimes referred to as 'internal transactions' or 'dollar flow transactions' (G. McDonald, pers. comm., September 2023).

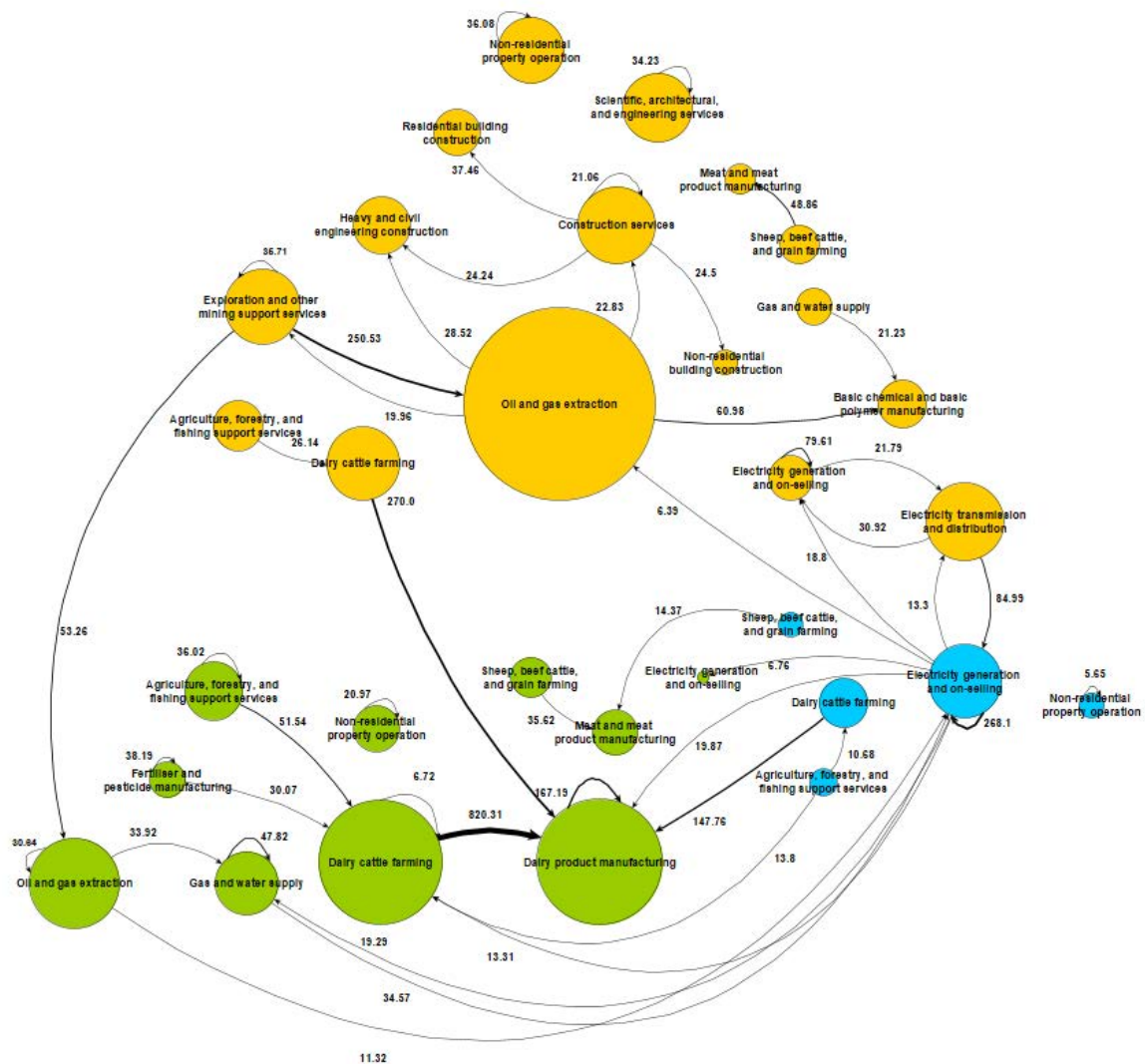


Image 43: Major trade flows within and between districts in Taranaki in 2020

Diagram source: Market Economics

Note: Key is yellow = New Plymouth, blue = Stratford, and green = South Taranaki. The numbers on the arrows in the diagram are (\$ millions) are the values of intermediate demand (i.e., sales and purchases) between industries.

Beyond the region, the economy of South Taranaki District has strong connections south with Manawatū-Wanganui, and that of New Plymouth District is connected north (via Port Taranaki) with Auckland and, possibly to a lesser extent, Waikato (G. McDonald, pers. comm., 2023).

Taranaki has few industries that have a comparative advantage compared with New Zealand as a whole, and those that do tend to concentrate on the manufacturing sector. Reasons for this situation are the region’s smaller land area and population as well as its landscape features. The main industry in which Taranaki has a comparative advantage is **oil and gas extraction**. This industry is supported by large offshore reserves of natural oil and gas, and Taranaki is New Zealand’s only oil and gas producing region.

Oil is extracted off the coast of Taranaki and is of high quality and exported overseas. Natural gas is sourced from onshore and offshore wells that also produce oil. In Taranaki there are several gas processing stations that process raw gas before it is injected into the high-pressure transmission network. The reticulated gas network in the North Island then distributes gas to end-consumers.

While most oil is exported to Australia, natural gas is used an input across many industries in Taranaki's economy and those of other regions. Oil and gas extraction is either the largest or second largest financial input into [road transport](#), [electricity transmission and distribution](#), [primary metal and metal product manufacturing](#) and [basic chemical and polymer manufacturing](#). It is also an input into the [oil and gas extraction industry](#) itself.

Without clusters of industries with a comparative advantage, an economy is less likely to retain economic activity when faced with adverse events and has a lower resilience than other regions. The key cluster of comparative advantage amongst industries driven by intermediate demand in Taranaki centres around electricity generation and on-selling. Most electricity generation and on-selling outputs are provided to industries in Taranaki with a comparative advantage with more than half used as an input in the industry itself.

Livestock farming industries are more prominent in the economies of Stratford and South Taranaki districts than that of the New Plymouth District, largely because the latter is a larger economy made up of a more diverse set of industries. South Taranaki District has more of a comparative advantage in dairy and meat manufacturing industries than the other two districts. [Wood product manufacturing](#) and [primary metal and metal product manufacturing](#) is concentrated in the New Plymouth District while [fabricated metal product manufacturing](#) occurs within New Plymouth and Stratford districts. [Basic chemical and basic polymer manufacturing](#) is entirely within the New Plymouth District while [fertiliser and pesticide manufacturing](#) is largely concentrated in South Taranaki.

Although the regional economy has a manufacturing focus there are some notable gaps. For instance, there is no [pulp, paper, and converted paper product manufacturing](#) in Taranaki and, despite its milk and meat industries, other food manufacturing<sup>162</sup> is under-represented. The situation is similar for most business services<sup>163</sup>, which are able to operate independent of location and so are usually concentrated in more populous regions (e.g., Auckland and Greater Wellington). Other industries within the service sector, such as those relating to health care and education, are also under-represented, which may be influenced by the ability of the region to provide these services without economies of scale.

None of the industries in Taranaki with a comparative advantage are completely driven by local demand. Several industries are driven by a combination of local and intermediate demand (e.g., road transport and employment and other administration services), a combination of local, intermediate and interregional demand (e.g., basic chemical and polymer manufacturing and exploration and other mining services).

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<sup>162</sup> Beverage and tobacco product manufacturing, as well as fruit, oil, cereal and other food product manufacturing and seafood processing.

<sup>163</sup> Professional, scientific, technical, administrative and support services.

## 6.2 Employment

*This section uses two measures to estimate employment for Taranaki: Modified Employment Counts (MECs)<sup>164</sup> and a Simple Location Quotient (SLQ)<sup>165</sup>. The MEC measure of jobs includes people who are self-employed (e.g., many farmers). The SLQ shows the relative importance of an industry's employment within a region compared to New Zealand as a whole (if above 1.00 then that industry's employment in the region is more important than it is nationally).*

In total, the Taranaki economy provides local communities with the equivalent of around 60,000 jobs. While people commute between localities, they tend to work close to where they live and, as a result, employment patterns largely reflect the distribution of population across the region. Overall, jobs are largely concentrated in New Plymouth District with just over 42,000 jobs (just under 71%) with fewer in South Taranaki with just under 14,000 jobs (just over 23%) and in Stratford District with around 3,500 jobs (6%).

Table 25 (page 150) gives estimates of jobs for 41 industries across the three districts as well as the total for the region. It also indicates each industry's relative importance in Taranaki compared to its relative importance nationally (using the SLQ measure). The 41 industries (out of the 109 industries in the analysis) were selected to 1) highlight those that are most relevant to the proposed Land and Water Regional Plan and 2) give a cross section of the main industries in the regional economy. There are other industries mentioned in the commentary below that are **not** included in Table 25.

In 2023, employment within Taranaki was around 2.3 per cent of total employment in New Zealand, which was slightly below Taranaki's 2.45% share of the total population. This result may partly reflect that, from 2009 to 2019, job growth in Taranaki has not kept pace with New Zealand as a whole. Over this ten-year period, jobs in the region grew by 4.1 per cent, or an average annual growth rate of 0.4 per cent, which was well below job growth nationally (16.4% or 1.6% on average annually).

Within the economy, livestock farming and related product processing and manufacturing are important industries for employment, particularly in South Taranaki and Stratford Districts.

- Dairy cattle farming and dairy product manufacturing, such as at the Fonterra Whareroa plant<sup>166</sup>, create the equivalent of 4,704 jobs (7.9% of regional employment) while sheep, beef cattle and grain farming as well as poultry, deer, and other livestock farming together with meat and meat product manufacturing create 3,737 jobs (6.3% of regional employment).
- Dairy cattle farming and poultry, deer, and other livestock farming are relatively more important in Taranaki than nationally for employment (SLQs of 3.79 and 2.23 respectively), while the importance of the region's sheep, beef cattle and grain farming is similar to elsewhere.
- The poultry component of the poultry, deer, and other livestock farming industry in Taranaki is largely supplying Tegel Foods Ltd in Bell Block, New Plymouth District. Tegel are one of the region's largest employers (Howarth & Rhodes, 2017) and the temperate climate is well suited to poultry farming.

<sup>164</sup> Modified Employment Counts include employees and working proprietors and were sourced from the MEResearch Business Frame database.

<sup>165</sup> A Simple Location Quotient = (regional employment in an industry / total employment in Taranaki) divided by (national employment in the same industry / total employment in New Zealand). The measure compares a region's production structure (using employment, value added or GDP) with a benchmark economy (typically a larger region or the country) to indicate an industry's 'locational advantages' in that region.

<sup>166</sup> In the mid-1990s, the Kiwi Co-operative Dairies Whareroa plant processed almost 20 per cent of New Zealand's dairy exports and was the second largest dairy co-operative in the country (Richards & Richards, 1995, p. 215). More information on the Fonterra Whareroa is available at <https://www.fonterra.com/nz/en/our-stories/articles/celebrating-50-years-of-fonterra-whareroa.html>



- Employment in both [dairy product manufacturing](#) and [meat and meat product manufacturing](#) in Taranaki is also created from the processing of inputs (milk and meat) from other regions.
- [Forestry](#) and [wood product manufacturing](#) create 705 jobs (1.2% of regional employment). Forestry in Taranaki is of similar importance to New Zealand as a whole (SLQ of 0.98). While there is no notable [pulp, paper, and converted paper product manufacturing](#) in Taranaki, [furniture manufacturing](#) creates 180 jobs, largely in the New Plymouth District.
- [Horticulture and fruit growing](#) is usually an industry with high rates of employment but it currently has limited scale in Taranaki, even though large areas of land are classified as suitable for horticultural development (Greer, 2014).
- Fruit, oil, cereal, and other food product manufacturing accounts for 600 jobs across the region through businesses such as Yarrows the Bakers in Manaia (South Taranaki).
- As on the West Coast of the South Island, [fishing and aquaculture](#) in the region is minimal with 10 jobs, which contrasts with the importance of the industry for New Zealand as a whole (SLQ of 0.01). There is limited [seafood processing](#) in Taranaki. An example is Egmont Seafoods<sup>167</sup>.
- In addition, [agriculture, forestry, and fishing support services](#) (which excludes veterinary services) represents 684 jobs across the region, although this industry in Taranaki is not quite as important as elsewhere (SLQ of 0.86).
- [Fertiliser and pesticide manufacturing](#) represents 179 jobs. Most of this employment occurs at the Ballance Agrinutrients<sup>168</sup> Kapuni plant (South Taranaki District) and the Osflo<sup>169</sup> sustainable fertiliser facility in Inglewood (New Plymouth District). The industry is relatively important to New Zealand as a whole (SLQ of 5.27): the Kapuni plant is the country's sole facility for producing ammonia urea.

In addition to livestock-related industries,

- [Oil and gas extraction](#) and [exploration and other mining support services](#) combined have 1,148 jobs, which is fewer than in farming but the region is important to these industries nationally (SLQs of 34.29 and 18.60 respectively). Taranaki's Maari oil field, Pohokura gas field and Maui oil and gas field are currently all or partly owned by OMV New Zealand<sup>170</sup>.
- There is little to no employment in [coal mining](#) in the region and limited employment in [metal ore and non-metallic mineral mining and quarrying](#).
- There are 360 jobs in [basic chemical and basic polymer manufacturing](#) at Methanex<sup>171</sup> in New Plymouth District.
- There are 1,381 jobs in [primary metal and metal product manufacturing](#) (largely in the New Plymouth District) and [fabricated metal product manufacturing](#). Employment in [primary metal and metal product manufacturing](#) is more important in the region than it is in New Zealand as whole (SLQ of 3.44), with the industry largely supplying [oil and gas extraction](#).

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<sup>167</sup> <https://www.egmontseafoods.co.nz/about/>

<sup>168</sup> <https://ballance.co.nz/our-business-and-history/manufacturing>

<sup>169</sup> <https://www.osflo.co.nz/about-us/our-story/>

<sup>170</sup> <https://www.omv.nz/en-nz/about-omv-nz>

<sup>171</sup> <https://www.methanex.com/about-us/our-purpose/>

While many of the remaining industries are key employers for the region, they are usually core to any economy – construction, transportation, utilities (i.e., power, water, and waste services).

- Just under ten per cent of jobs are in construction industries, which is of similar importance as New Zealand as a whole (not included in the table is non-residential building construction with 385 jobs).
- Of all the industries involved in transportation, the most important in terms of jobs is [road transport](#) with 1,311 jobs, which is similar in importance to the industry for New Zealand as a whole (SLQ of 1.17). Port Taranaki is also a sizeable employer<sup>172</sup>.
- [Electricity generation and on-selling](#) (supplied by the oil and gas extraction industry in South Taranaki) and [electricity transmission and distribution](#) represent 383 jobs. [Electricity generation and on-selling](#) is located at Contact's dual thermal power facility in Stratford District (the Taranaki Combined Cycle Power Station and Stratford Peakers) while [electricity transmission and generation](#) occurs within the New Plymouth District.
- [Electricity generation and on-selling](#)<sup>173</sup> has by far the largest employment multipliers of any industry in Taranaki. Every job in this industry is linked to another 21 jobs in Taranaki in direct and indirect impacts (i.e., a 'Type I' multiplier<sup>174</sup>). When induced impacts that occur through changes in household expenditure are also considered it adds an extra 15 jobs (i.e., a Type II multiplier).
- [Gas and water supply, sewerage and drainage services, waste collection, treatment, and disposal services](#) collectively account for 241 jobs.

Many of the industries in the service sector are not included in Table 25 but are mentioned here to provide a sense of the scale of this sector within an economy. Beyond [supermarket and grocery stores](#) (which excludes [specialised food retailing](#)), the table does not include retail industries nor any wholesaling industries. In total, the service sector accounts for just under 38,000 jobs and 63 per cent of employment in the region.

- The industries in Taranaki that provide health care and social assistance account as well as education account for more than 17 per cent of the regional employment.
- The most important wholesale industries for employment (by number of jobs) are [basic material wholesaling](#) and [machinery and equipment wholesaling](#).
- The most important retail industries for employment are [supermarket and grocery stores](#) (1,619 jobs), [furniture, electrical, and hardware retailing](#) (982 jobs), and [recreational, clothing, footwear, and personal accessory retailing](#) (869 jobs).

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<sup>172</sup> <https://www.trc.govt.nz/assets/Documents/Financial-reports/Port-Taranaki-Ltd/PTL-Berl-Mar2013-wp2.pdf>

<sup>173</sup> <https://contact.co.nz/aboutus/our-story/our-powerstations>

<sup>174</sup> Refer to Section 6.3.1 for a brief explanation of economic multipliers.

Table 25: Employment (estimated 'jobs' as MECs) for 41 of 109 industries in Taranaki 2023

Industry	New Plymouth	Stratford	South Taranaki	Taranaki*	Regional SLQ
Dairy farming	703	319	2,031	3,052	3.79
Dairy product manufacturing	12	0	1,640	1,652	5.07
Sheep, beef cattle, and grain farming	307	124	332	763	1.04
Poultry, deer, and other livestock farming	332	8	108	448	2.23
Meat and meat product manufacturing	819	55	1,652	2,526	3.56
Fruit, oil, cereal, and other food product manufacturing	274	39	288	600	0.86
Horticulture and fruit growing	213	2	31	246	0.33
Forestry and logging	75	23	34	132	0.98
Wood product manufacturing	553	6	14	573	1.38
Agriculture, forestry, and fishing support services	258	85	341	684	0.86
Fertiliser and pesticide manufacturing	50	0	128	179	5.27
Basic chemical and basic polymer manufacturing	360	0	0	360	12.07
Oil and gas extraction	536	0	118	654	34.29
Exploration and other mining support services	490	1	4	494	18.60
Primary metal and metal product manufacturing	696	6	33	735	3.44
Electricity generation and on-selling	15	59	1	75	1.86
Gas and water supply	31	3	71	105	2.18
Residential building construction	950	115	172	1,238	1.02
Heavy and civil engineering construction	853	77	123	1,054	1.19
Construction services	2,399	146	535	3,080	0.98
Supermarket and grocery stores	1,123	178	319	1,619	1.11
Accommodation	737	65	134	937	1.06
Food and beverage services	2,652	126	377	3,155	0.95
Road transport	1,003	31	277	1,311	1.17
Transport support services	350	0	0	350	0.74
Residential property operation	75	5	9	89	0.61
Non-residential property operation	226	32	109	368	1.40

Table 25: Employment (estimated 'jobs' as MECs) for 41 of 109 industries in Taranaki 2023 *Continued*

Industry	New Plymouth	Stratford	South Taranaki	Taranaki*	Regional SLQ
Owner-occupied property operation <sup>175</sup>	N.A.	N.A.	N.A.	N.A.	N.A.
Scientific, architectural, and engineering services	1,275	18	76	1,369	0.93
Banking and financing; financial asset investing	608	22	81	711	0.95
Legal and accounting services	689	67	184	940	0.96
Employment and other administrative services	1,692	38	173	1,902	0.95
Local government administration services	457	248	152	857	1.43
Central government administration services	366	88	110	564	0.56
School education	1,953	320	655	2,929	1.23
Tertiary education	269	45	3	316	0.31
Hospitals	1,637	0	113	1,750	0.91
Medical and other health care services	1,479	109	192	1,780	0.86
Residential care services and social assistance	1,961	133	384	2,479	1.20
Repair and maintenance	786	45	183	1,014	1.23

\* The regional total may differ slightly from the sum of the districts due to rounding.

Source data: Market Economics

Other service industries of note that are also not included in the table are: [advertising, market research, and management services](#) (690 jobs), [building cleaning, pest control, and other support services](#) (841 jobs), [public order, safety, and regulatory services](#) (661 jobs), [preschool education](#) (689 jobs), [sport and recreation services](#) (631 jobs), and [personal services; domestic household staff](#) (803 jobs). They all have a regional SLQ of either roughly at or below 1.00, meaning these industries tend to be either similar or less important as employers in Taranaki than they are in New Zealand.

District employment patterns for their top ten industries from 2010 to 2022 are shown in Tables 26 to 28 and Figures 53 to 55. To show sufficient detail for Stratford District, the scale of the vertical or 'y' axis in Figure 54 is smaller than the other two graphs (0-500 jobs rather than 0 to 3,000 jobs). Some industries have followed different pathways between districts. For example, employment in [school education](#) declined slightly in South Taranaki (-5%) whereas it grew markedly in New Plymouth (+24%) and Stratford (+40%). Other examples include employment in [food and beverage services, construction services, dairy cattle farming](#), and [medical and other health care services](#), and [local government administration services](#). Most job growth across the region during this time period has occurred in the tertiary sector.

<sup>175</sup> Owner-occupied property operation is "an industry that comprises households that own their own homes and notionally rent them back to themselves. It includes private dwellings such as houses, flats, and farmhouses, if they are owned by the people who occupy them." StatsNZ define output as the imputed rental value of owner-occupied dwellings (i.e., the gross rents that would be collected if the dwellings were rented in an unfurnished state). The inputs of the industry are homeownership expenses, such as repairs and maintenance, insurance service charges, bank service charges associated with home loans, rates, and depreciation. StatsNZ includes the imputed rental payment in final consumption expenditure of households.

Table 26: Employment by industry (top 10 in 2022) for New Plymouth District 2010-2022

Industry	2010	2022	Change from 2010
Construction services	2,480	2,593	+5%
Employment and other administrative services	1,069	1,161	+9%
Food and beverage services	2,074	2,316	+12%
Hospitals	1,042	1,981	+90%
Medical and other health care services	1,710	1,637	-4%
Residential building construction	760	1,103	+45%
Residential care services and social assistance	1,749	2,056	+18%
School education	1,627	2,025	+24%
Scientific, architectural, and engineering services	1,053	1,382	+31%
Supermarket and grocery stores	1,253	1,157	-8%

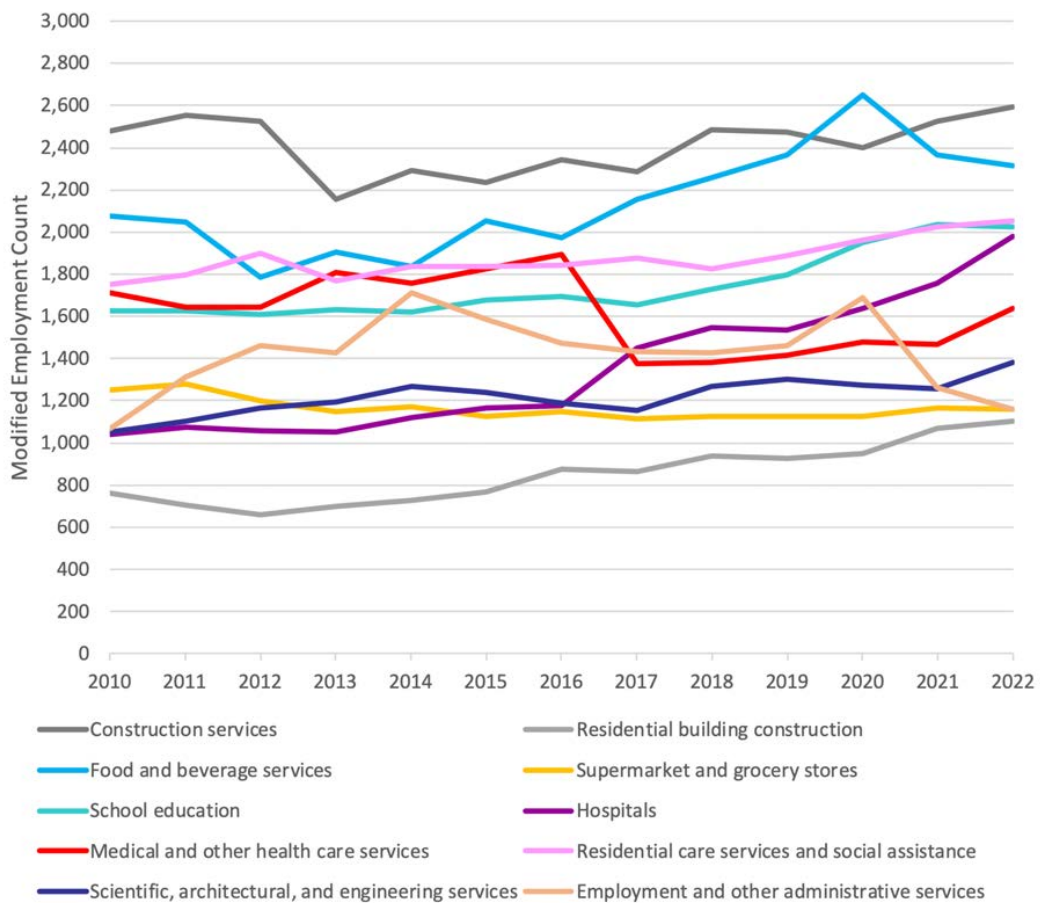


Figure 53: Employment by industry (top 10 in 2022) for New Plymouth District 2010-2022  
 Source Data: Market Economics

Table 27: Employment by industry (top 10 in 2022) for Stratford District 2010-2022

Industry	2010	2022	Change from 2010
Agriculture, forestry, and fishing support services	130	117	-10%
Construction services	179	148	-17%
Dairy cattle farming	467	387	-17%
Food and beverage services	163	118	-27%
Local government administration services	139	283	+103%
Medical and other health care services	72	119	+65%
Residential care services and social assistance	158	131	-17%
School education	250	350	+40%
Sheep, beef cattle, and grain farming	195	226	+16%
Supermarket and grocery stores	187	172	-8%

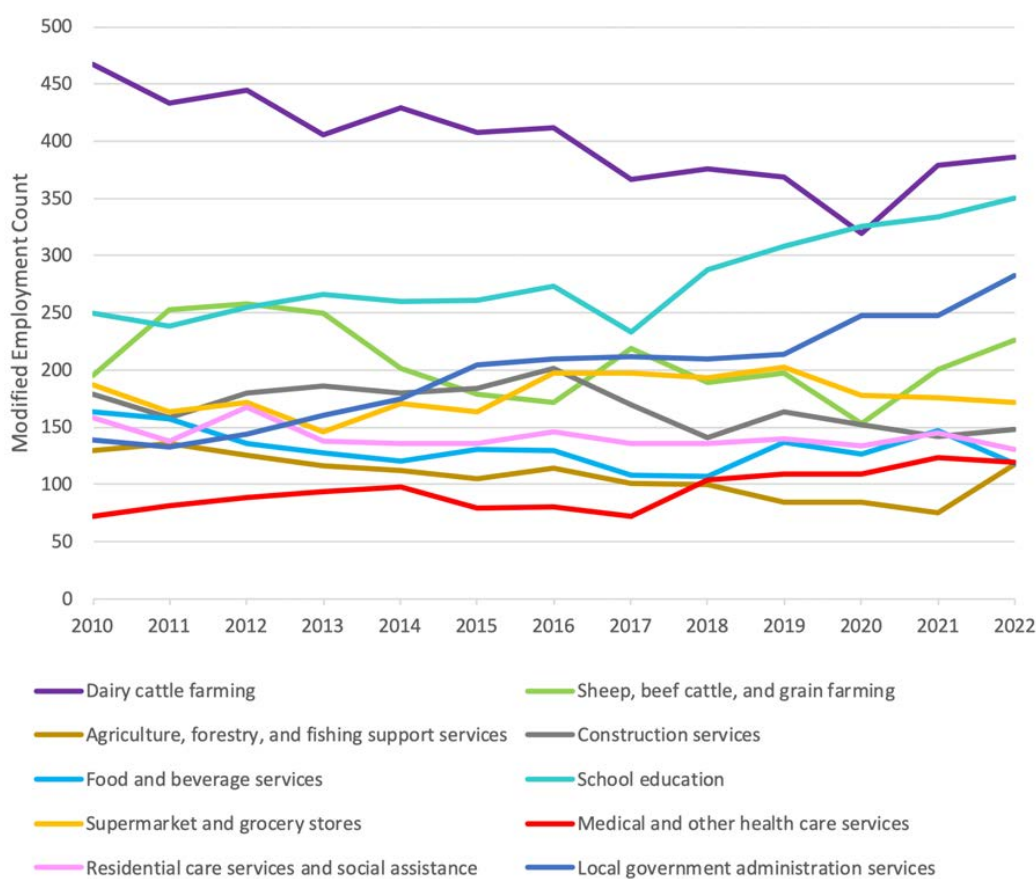


Figure 54: Employment by industry (top 10 in 2022) for Stratford District 2010-2022  
Source Data: Market Economics

Table 28: Employment by industry (top 10 in 2022) for South Taranaki District 2010-2022

Industry	2010	2022	Change from 2010
Agriculture, forestry, and fishing support services	227	401	+76%
Construction services	507	661	+30%
Dairy cattle farming	2,329	2,280	-2%
Food and beverage services	1,406	1,781	+27%
Local government administration services	398	374	-6%
Medical and other health care services	222	296	+33%
Residential care services and social assistance	1,503	1,498	0%
School education	407	388	-5%
Sheep, beef cattle, and grain farming	582	655	+13%
Supermarket and grocery stores	418	343	-18%

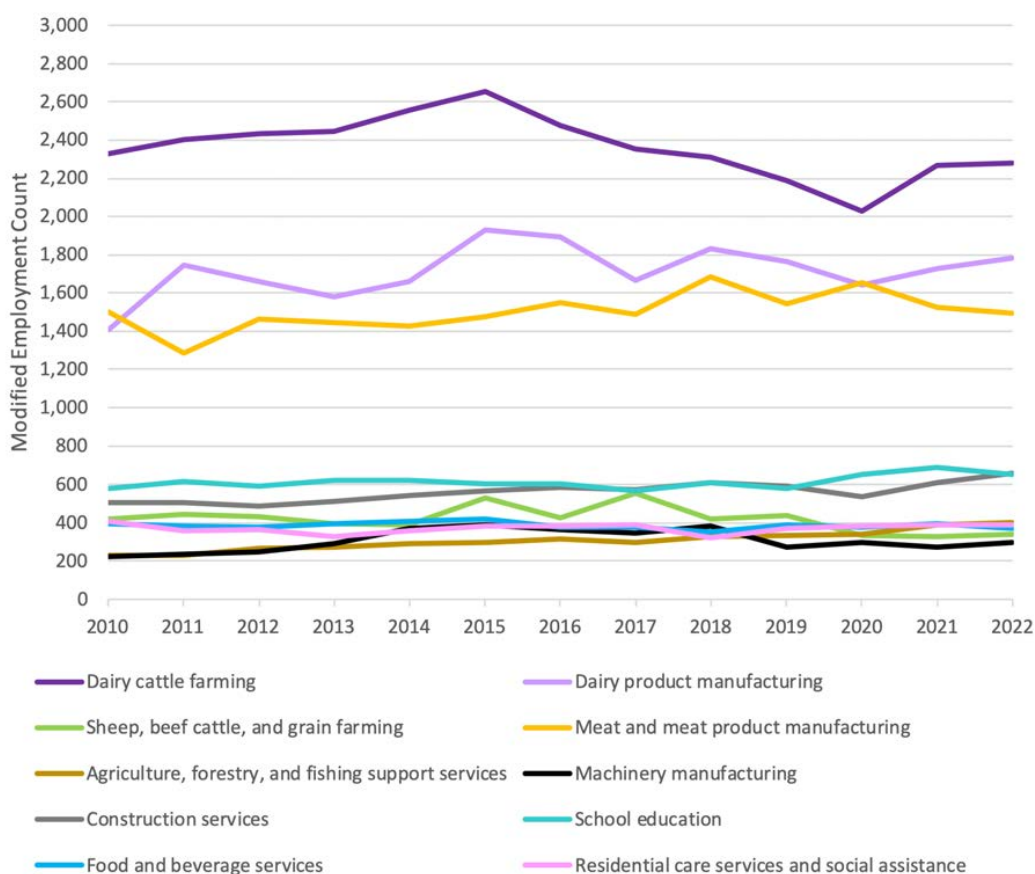


Figure 55: Employment by industry (top 10 in 2022) for South Taranaki District 2010-2022  
Source Data: Market Economics

### 6.3 Value Added and Gross Output

*This section uses two economic measures: ‘value added’<sup>176</sup> and, to a lesser extent, ‘gross output’<sup>177</sup>. These measures are useful for understanding the size of an economy. They treat all activities equally in terms of their contribution to a community’s outcomes. This section also introduces the concept of economic multipliers (described in Section 6.3.1).*

*‘Gross output’ measures total economic activity. It includes capital inputs, labour inputs, and intermediate inputs<sup>178</sup> (i.e., bought-in materials, energy, and services used up in the process of production). ‘Value added’ excludes intermediate inputs and so focuses on the contributions of capital and labour as inputs in production. In other words, ‘value added’ is the value (or income) that is gained or added to intermediate inputs in producing goods and services. A useful comparison of the two metrics is available in Cobbold (2003).*

*At a national scale, value added is equivalent to gross domestic product (GDP) after excluding taxes on products and import taxes (net of subsidies)<sup>179</sup>. However, information on taxes on products and subsidies is only available at the whole economy level so value added is a proxy for gross regional domestic product (GRP) when considering a sub-national scale, such as a regional or district economy.*

Overall, the size of the Taranaki economy in 2023 was \$8.6 billion in value added from a gross output of \$20 billion (a ratio of 43%) and was equivalent to just under three per cent of the New Zealand economy. Within the regional economy, New Plymouth District accounted for just over \$5.6 billion in value added (65%), Stratford District \$583 million (7%), and South Taranaki District just under \$2.5 billion (28%). This uneven distribution is influenced by the location of particularly industries within each district and does not fully reflect each district’s contribution to the regional economy. For example, much of the milk that is processed in one district is sourced from another and it is a similar case for meat and wood. It is a similar situation for Port Taranaki.

Table 29 gives value added for selected industries by district and the total for the region. It also reports regional gross output and the ratio of value added to gross output (the final column of the table), which indicates the intensity of capital and labour used in an industry’s production of goods and/or services. An industry with a higher ratio (i.e., percentage) has a higher level of value added relative to its gross output. For example, 50 per cent of dairy farming’s gross output is value added (i.e., the contribution made by capital and labour in addition to other inputs) while 16 per cent of gross output from dairy product manufacturing is value added.

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<sup>176</sup> The value added to goods and services by the contributions of capital and labour. In other words, the value of output after the cost of bought-in materials and services has been deducted. It includes gross operating surplus, compensation of employees, other taxes on productions and subsidies.

<sup>177</sup> For each industry, gross output consists of intermediate consumption and value added (see previous footnote). Intermediate consumption consists of commodity use and taxes on products. For each industry, gross output must be equivalent to total supply.

<sup>178</sup> Intermediate demand (sales) is the measure used on the major trade flows diagram (Image 38).

<sup>179</sup> In New Zealand, value added is roughly equal to 88 per cent of gross domestic product (Market Economics, 2015).



Industries involved in livestock farming and forestry, together with associated support services and processing or manufacturing, directly contribute \$1.8 billion, of which 71 per cent comes from [dairy farming](#) and [dairy product manufacturing](#). At a similar scale, [oil and gas extraction](#) and [exploration and other mining support services](#) directly contribute just over \$1.6 billion in value added. Industries involved in property operation directly contribute \$896 million in value added, of which 58 per cent comes from owner-occupied property operation<sup>180</sup>. Māori authority businesses are likely to be closely connected to non-residential property operation<sup>181</sup>. Utilities (i.e., electricity, gas, water supply, and waste services) directly contribute \$609 million in value added.

In sum, livestock and forestry (with support services and processing or manufacturing), oil and gas, utilities, and property operation<sup>182</sup> account for just over \$4.9 billion, or just under 57 per cent of the economy. The basic structure of the Taranaki regional economy currently lacks many value added industries, with most of the economy focused on intermediate industries and industries driven by international and inter-regional demand.

Table 29: Output (in millions) for 41 of 109 industries in Taranaki 2023

Industry	New Plymouth value added	Stratford value added	South Taranaki value added	Taranaki value added*	Taranaki gross output	Value added / gross output
Dairy farming	\$172	\$78	\$498	\$748	\$1,495	50%
Dairy product manufacturing	\$1	\$0	\$511	\$512	\$3,252	16%
Sheep, beef cattle, and grain farming	\$49	\$19	\$53	\$120	\$283	43%
Poultry, deer, and other livestock farming	\$18	\$1	\$6	\$24	\$74	33%
Meat and meat product manufacturing	\$29	\$2	\$67	\$98	\$526	19%
Horticulture and fruit growing	\$12	\$0	\$3	\$15	\$36	43%
Fruit, oil, cereal, & other food product manufacturing	\$15	\$2	\$20	\$37	\$113	33%
Forestry and logging	\$11	\$3	\$10	\$23	\$77	30%
Wood product manufacturing	\$42	\$0	\$1	\$44	\$148	30%
Agriculture, forestry, & fishing support services	\$80	\$23	\$109	\$213	\$460	46%
Fertiliser and pesticide manufacturing	\$11	\$0	\$41	\$52	\$209	25%
Basic chemical and basic polymer manufacturing	\$75	\$0	\$0	\$75	\$271	28%
Oil and gas extraction	\$1,189	\$0	\$262	\$1,452	\$2,715	53%
Exploration and other mining support services	\$180	\$0	\$1	\$182	\$470	39%

180 This industry represents the economic services that a house-owner gets from living in their house, equivalent to a tenant renting a house.

181 In 2022, there were 1,290 Māori authority businesses in New Zealand. Around a third (32%) of Māori authorities were non-residential property operators, that is, businesses that rent out non-residential properties, such as agricultural land and office space, and just under one-quarter (24%) were in the primary industries. <https://www.stats.govt.nz/information-releases/tatauranga-umanga-maori-statistics-on-maori-businesses-2022-english/>

182 An explanation of owner-occupied property operation is included as a footnote in Section 6.2. Essentially, the industry's inputs are homeownership expenses, and its outputs are the imputed rental value of the dwellings. Including net imputed rent in household accounts treats owner-occupiers as if they were renting their home from themselves. It allows for more meaningful comparison of the income circumstances of people living in different tenure types.

Table 29: Output (in millions) for 41 of 109 industries in Taranaki 2023 *Continued*

Industry	New Plymouth value added	Stratford value added	South Taranaki value added	Taranaki value added*	Taranaki gross output	Value added / gross output
Primary metal and metal product manufacturing	\$30	\$0	\$2	\$32	\$192	17%
Fabricated metal product manufacturing	\$44	\$7	\$13	\$63	\$176	36%
Electricity generation and on-selling	\$63	\$173	\$5	\$241	\$899	27%
Electricity transmission and distribution	\$195	\$0	\$0	\$195	\$316	62%
Gas and water supply	\$43	\$1	\$129	\$173	\$417	42%
Residential building construction	\$69	\$8	\$13	\$90	\$410	22%
Heavy and civil engineering construction	\$104	\$10	\$16	\$130	\$394	33%
Construction services	\$193	\$12	\$48	\$253	\$617	41%
Supermarket and grocery stores	\$60	\$9	\$17	\$86	\$129	67%
Accommodation	\$36	\$3	\$7	\$45	\$89	51%
Food and beverage services	\$73	\$4	\$11	\$87	\$193	45%
Road transport	\$90	\$3	\$23	\$116	\$289	40%
Transport support services	\$87	\$0	\$0	\$87	\$123	70%
Residential property operation	\$100	\$11	\$33	\$144	\$189	76%
Non-residential property operation	\$141	\$20	\$68	\$229	\$424	54%
Owner-occupied property operation	\$362	\$41	\$120	\$523	\$687	76%
Scientific, architectural, & engineering services	\$156	\$2	\$10	\$167	\$283	59%
Banking and financing; financial asset investing	\$86	\$2	\$12	\$100	\$162	62%
Legal and accounting services	\$68	\$7	\$18	\$92	\$127	73%
Employment and other administrative services	\$69	\$2	\$7	\$78	\$167	46%
Local government administration services	\$25	\$13	\$8	\$46	\$72	64%
Central government administration services	\$33	\$8	\$10	\$51	\$101	50%
School education	\$76	\$10	\$26	\$112	\$144	78%
Tertiary education	\$72	\$13	\$1	\$86	\$120	71%
Hospitals	\$197	\$0	\$14	\$211	\$302	70%
Medical and other health care services	\$103	\$9	\$13	\$125	\$227	55%
Residential care services and social assistance	\$95	\$7	\$18	\$120	\$190	63%
Repair and maintenance	\$56	\$3	\$13	\$73	\$136	53%

\* The regional figure may differ slightly from the sum of the districts due to rounding.

Source data: Market Economics

### 6.3.1 Value Added Multipliers

*Input-output multipliers show how an additional unit of spending (e.g., \$1) creates changes in either gross output, value added, or employment. The multipliers are essentially a summary of an industry's interdependencies with other industries and they measure both the 'backward' and 'forward' linkages along the value chains within a particular economy<sup>183</sup>. While the focus here is on value added, Taranaki Regional Council was also supplied with datasets for gross output and employment.*

*Multipliers are useful for understanding the short-term economic impacts of policy. However, they do not indicate how an economy might transition or shift from its current form towards a new 'equilibrium'<sup>184</sup>. In other words, multipliers do not show how an economy may respond to policy in terms of changes in prices, swapping one input for another (i.e., factor substitution), or new technologies.*

Value added multipliers relate an additional unit of spending to changes in value added generated in an economy. **Primary metal and metal product manufacturing** in New Plymouth District is the largest Type I multiplier, where an additional unit of spending (e.g., \$1.00) generates an extra \$4.24 in the region (\$3.77 in New Plymouth, \$0.14 in Stratford and \$0.32 in Taranaki). This result contrasts with **electricity generation and on-selling** (refer to Section 6.2), which has the largest Type I multiplier for employment.

For most industries in each district across the region, the direct and indirect value added (i.e., Type I multipliers) from an additional unit of spending are greater in the rest of New Zealand than they are in Taranaki. In other words, most of the gain or benefit in value added from an additional unit of spending occurs outside of Taranaki. This finding remains true when induced value added is also considered (i.e., Type II multipliers).

The industries that are exceptions are **chemical, polymer and rubber product manufacturing** in New Plymouth District, **primary metal and metal product manufacturing** in New Plymouth and South Taranaki districts, and **electricity generation and on-selling** in Stratford and South Taranaki Districts. These industries all have a comparative advantage within New Zealand and so have relatively large value added multipliers. Electricity is a key input for manufacturing industries in the region and one of two main inputs (by cost) in **basic chemical and basic polymer manufacturing** and **primary metal and metal product manufacturing**. Strong linkages also exist between **fertiliser and pesticide manufacturing, dairy cattle farming, and dairy product manufacturing**<sup>185</sup>.

Some industries are closely connected with industries in neighbouring regions. For example, the milk and meat product manufacturing plants in South Taranaki are supplied by farms in Manawatū-Wanganui (and beyond). In servicing localities outside of the region, a unit of additional spending in these industries will have backwards linkages through to their suppliers and vice versa. Consequently, changes in policy in either region may have impacts that flow through the value chain to the other.

<sup>183</sup> There are two types of multipliers: Type I multipliers capture the direct and indirect impacts of an additional unit of spending. An indirect impact is where a change in final demand flows through the whole economy, causing further changes in output beyond the initial change. This is sometimes called a supply chain impact. Type II multipliers also capture the induced impacts of an additional unit of spending through changes in household expenditure on goods and services.

<sup>184</sup> An equilibrium is reached when the supply and demand of an economy's goods and services are back in balance and prices become stable again.

<sup>185</sup> For example, Taranaki-based fertiliser company Osflo replaces chicken manure from chicken farms with wood shavings – a by-product from Taranaki's wood processing facilities (Howarth & Rhodes, 2017). The chicken manure then forms the basis of organic fertiliser predominantly sold to dairy farmers.

While export industries are important for New Zealand’s terms of trade, they tend to have smaller value added multipliers than those that primarily support other industries within an economy (e.g., arable farming). For example, much of the locally produced fertiliser and pesticide products are consumed by livestock farming industries, which are in turn important to food manufacturing. [Fertiliser and pesticide manufacturing](#) in South Taranaki District has a value added multiplier of \$3.71 (backwards \$1.52 and forwards \$2.19) in that district. Similarly, [fertiliser and pesticide manufacturing](#) in New Plymouth District has a multiplier of \$5.08 (\$2.04 and \$3.04) in that district.

Table 30 gives ‘Type II’ value added multipliers for nine industries in each of the three Taranaki districts. The multipliers are either backwards linkages or forwards linkages and, in effect, summarise the direct, indirect, and induced impacts throughout the economy. The backwards and forwards linkages can be summed to give the overall value added multiplier for an industry.

Table 30: Type II Value Added Multipliers for 9 selected industries by district in Taranaki 2023

Linkages	Backwards			Forwards			
	District	New Plymouth	Stratford	South Taranaki	New Plymouth	Stratford	South Taranaki
New Plymouth	Dairy farming	\$1.62	\$0.02	\$0.01	\$1.04	\$0.00	\$0.27
	Sheep, beef cattle, and grain farming	\$1.62	\$0.01	\$0.02	\$1.47	\$0.01	\$0.05
	Poultry, deer, and other livestock farming	\$1.71	\$0.02	\$0.02	\$1.17	\$0.01	\$0.02
	Forestry and logging	\$2.21	\$0.02	\$0.02	\$1.34	\$0.01	\$0.02
	Fertiliser and pesticide manufacturing	\$2.04	\$0.02	\$0.05	\$3.04	\$0.02	\$0.22
	Basic chemical and basic polymer manufacturing	\$2.32	\$0.05	\$0.13	\$1.21	\$0.01	\$0.05
	Oil and gas extraction	\$1.34	\$0.01	\$0.01	\$1.17	\$0.01	\$0.02
	Primary metal and metal product manufacturing	\$2.55	\$0.14	\$0.06	\$1.62	\$0.03	\$0.29
	Electricity generation and on-selling	\$3.07	\$0.28	\$0.11	\$3.55	\$0.10	\$0.13
Stratford	Dairy farming	\$0.19	\$1.28	\$0.10	\$0.01	\$1.01	\$0.33
	Sheep, beef cattle, and grain farming	\$0.15	\$1.32	\$0.17	\$0.02	\$1.21	\$0.25
	Poultry, deer, and other livestock farming	\$0.10	\$1.18	\$1.10	\$0.09	\$1.07	\$0.09
	Forestry and logging	\$0.37	\$1.53	\$0.37	\$0.04	\$1.10	\$0.02
	Fertiliser and pesticide manufacturing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Basic chemical and basic polymer manufacturing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Oil and gas extraction	\$0.14	\$1.09	\$0.04	\$0.07	\$1.04	\$0.04
	Primary metal and metal product manufacturing	\$0.55	\$1.52	\$0.14	\$0.07	\$1.01	\$0.02
	Electricity generation and on-selling	\$1.01	\$1.96	\$0.36	\$0.53	\$1.88	\$0.43

Table 30: Type II Value Added Multipliers for 9 selected industries by district in Taranaki 2023 *Continued*

Linkages		Backwards			Forwards	
District	New Plymouth	Stratford	South Taranaki	New Plymouth	Stratford	South Taranaki
Dairy farming	\$0.07	\$0.04	\$1.17	\$0.01	\$0.00	\$1.30
Sheep, beef cattle, and grain farming	\$0.04	\$0.02	\$1.30	\$0.01	\$0.02	\$1.23
Poultry, deer, and other livestock farming	\$0.06	\$0.03	\$1.35	\$0.02	\$0.02	\$1.48
Forestry and logging	\$0.11	\$0.03	\$1.64	\$0.02	\$0.01	\$1.13
Fertiliser and pesticide manufacturing	\$0.13	\$0.01	\$1.52	\$0.16	\$0.12	\$2.19
Basic chemical and basic polymer manufacturing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Oil and gas extraction	\$0.16	\$0.01	\$1.13	\$0.04	\$0.04	\$1.20
Primary metal and metal product manufacturing	\$0.45	\$0.34	\$1.21	\$0.11	\$0.05	\$2.80
Electricity generation and on-selling	\$0.03	\$0.01	\$1.08	\$0.20	\$0.38	\$2.03

Source data: Market Economics

## 7 Appendices

### 7.1 Travel Connectivity Diagrams (Chapter 4)

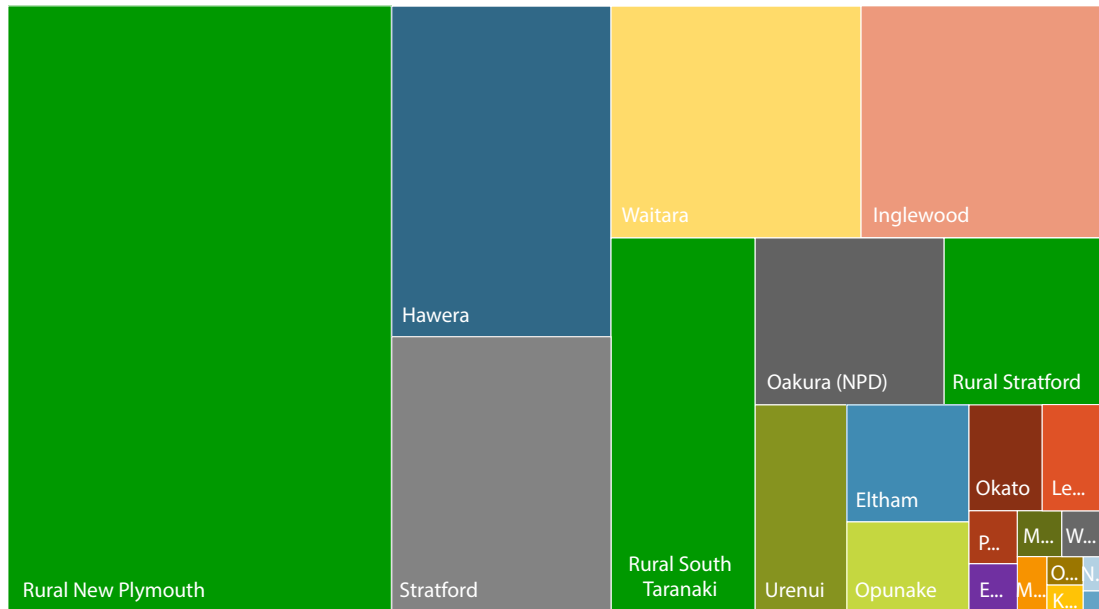


Figure 56: Proportional representation of annual trips to and from New Plymouth City  
Source data: Market Economics



Figure 57: Proportional representation of annual trips to and from rural locations in New Plymouth District  
Source data: Market Economics

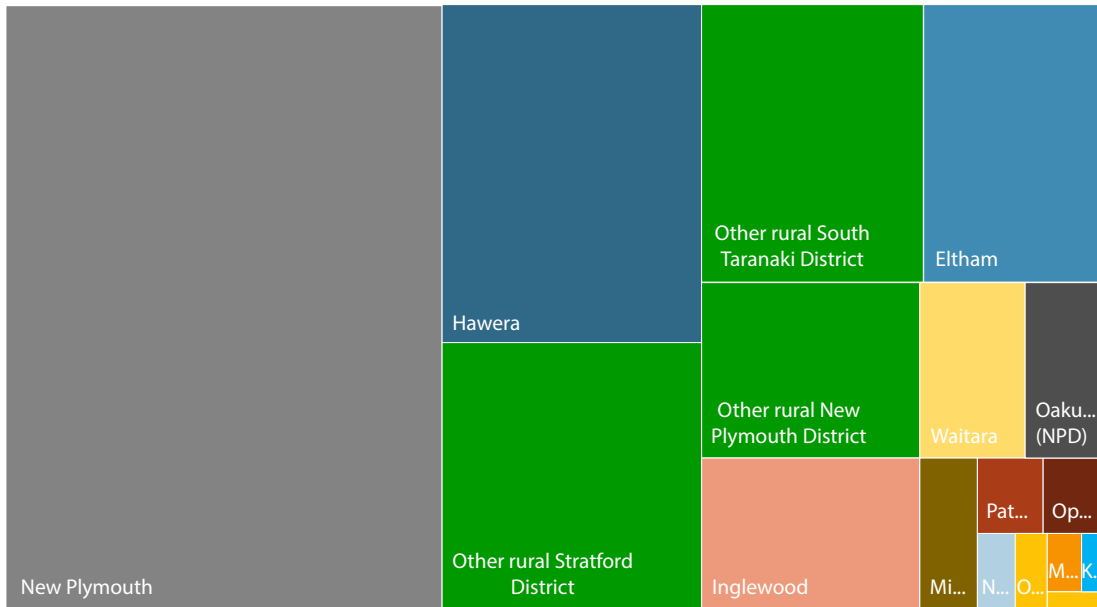


Figure 58: Proportional representation of annual trips to and from Stratford Township  
 Source data: Market Economics



Figure 59: Proportional representation of annual trips to and from rural locations in Stratford District  
 Source data: Market Economics

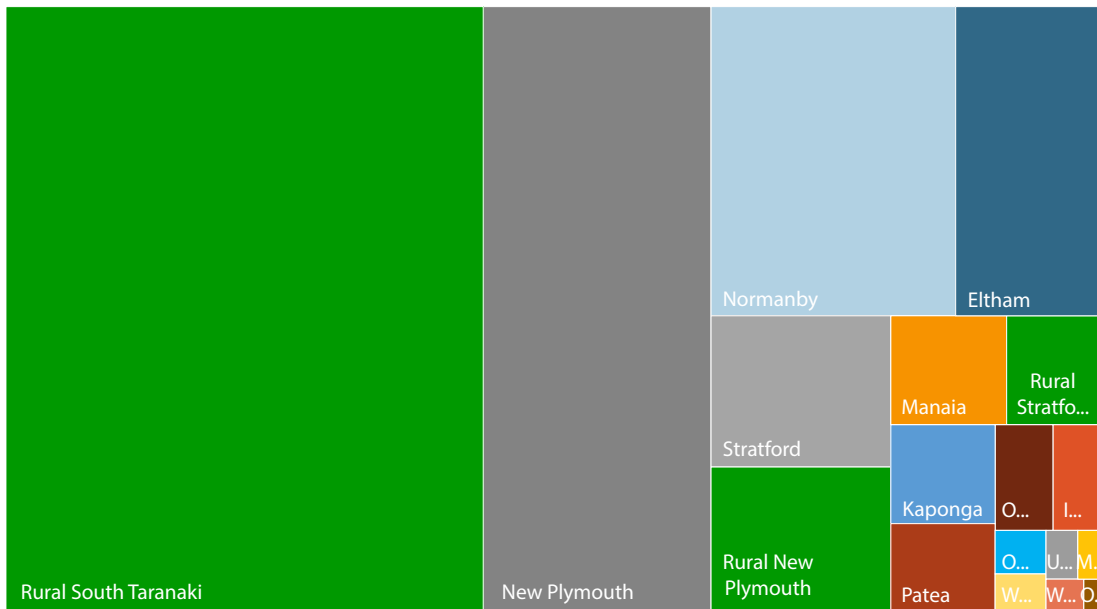


Figure 60: Proportional representation of annual trips to and from Hawera (in South Taranaki District)  
Source data: Market Economics

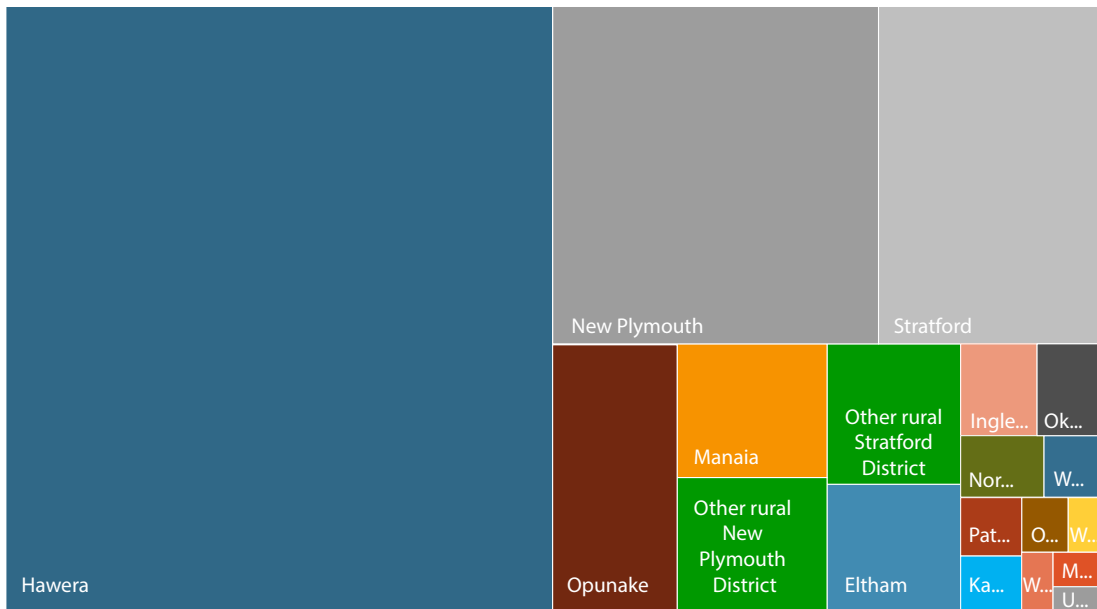


Figure 61: Proportional representation of annual trips to and from rural locations in South Taranaki District  
Source data: Market Economics



## 7.2 Seasonal Conditions and Milk Production (Chapter 5)

Table 31: Summary of Seasonal Conditions in Taranaki for five years from 2013-14 to 2017-18<sup>186</sup>

<b>2013-14</b>	Taranaki experienced a warm and relatively dry winter. Spring brought normal levels of rainfall while temperatures remained elevated. Throughout winter and spring, soil moisture was near normal providing farmers with good conditions for pasture growth. During summer and autumn Taranaki experienced below normal levels of rainfall. Summer conditions were normal and temperatures increased in autumn. These conditions were favourable for farmers reflecting the increase in total milksolids per hectare of 9.3 per cent on the 2012-13 season.
<b>2014-15</b>	Taranaki experienced a warm, mild winter leaving soils slightly drier than usual. Spring brought average levels of rainfall and temperatures, providing favourable growing conditions. Dry, sunny, and warm conditions were experienced in summer, leaving soils drier than normal. The season ended with a typical autumn, albeit slightly warmer than normal. Conditions were mostly favourable for farmers which was reflected in the increase in milksolids per hectare of 5.3 per cent.
<b>2015-16</b>	Average temperatures and plentiful rainfall were experienced by the Taranaki region during winter. In spring, however, the rain eased to less than half the normal levels leaving soils drier than normal at the start of summer. Warm air temperatures during summer and lower than average rainfall in southern parts of Taranaki continued the decline in soil moisture levels. Autumn was particularly warm with variable rainfall, but most areas were typically wetter than normal. These conditions were challenging for farmers, particularly with the lower milk price, reflecting the decrease in total milksolids production by 8.3 per cent.
<b>2016-17</b>	Taranaki's winter was reasonably typical, although wet in August. Tropical air masses passing over the country in spring brought warm temperatures and frequent rainfall. Strong westerly and south-westerly winds accompanied by cool temperatures were experienced in summer, occasional rainfall was enough to prevent soil moisture deficits in many areas. Like much of the North Island, autumn was wet, however Taranaki experienced little of the heavy rain events from the passing tropical cyclones. Milksolids production for the season increased 0.9 per cent on last season, however, this was still below the peak experienced in 2014-15.
<b>2017-18</b>	Taranaki 2017-18 will not be remembered fondly by Taranaki dairy farmers. Winter was reasonably typical, albeit slightly warmer and wetter than normal. However, as the season progressed into spring, dry spells caused soil moisture deficits and impacted on spring pasture growth. Summer was much warmer than normal and the dry conditions continued until rain came in January. Summer milksolids production reflected the flow-on impacts from the dry spring and start to summer, which was 15.3 per cent lower than last year. Autumn conditions did not salvage milksolids production for Taranaki as it was wetter than normal due to some heavy rainfall events. Unfavourable climatic conditions for Taranaki severely impacted on milksolids production this season, with total milksolids down 8.1 per cent on last season to the lowest level it has been since 2012-13 <sup>187</sup> .

<sup>186</sup> The five years are the last that these useful seasonal summaries by region were included in the DairyNZ Economic Surveys.

<sup>187</sup> The DairyNZ Economic Survey for the following year noted that Taranaki's difficult season in 2017-18 may have added to debt loadings.

### 7.3 B+LNZ Sheep and Beef Farm Survey Graphs (Chapter 5)

The specific Farm Class graphs in this section are relevant to sections 6.1.3.3 and 6.1.3.5 of this report respectively. The source data is the B+LNZ Economic Service Sheep and Beef Farm Survey. Importantly, the scale on the vertical (y-axis) of the topography graphs varies from a maximum of 300 hectares for Finishing-Breeding Farms up to a maximum of 1,400 hectares on Hard Hill Country farms.

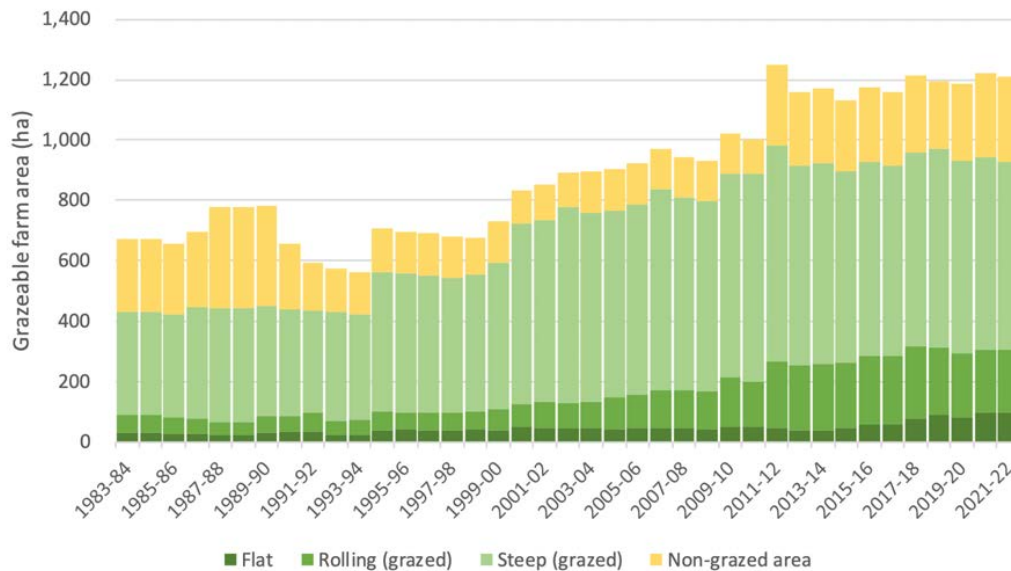


Figure 62: Farm size and topography for Hard Hill Country sheep and beef farms in Taranaki-Manawatū from 1983 to 2021

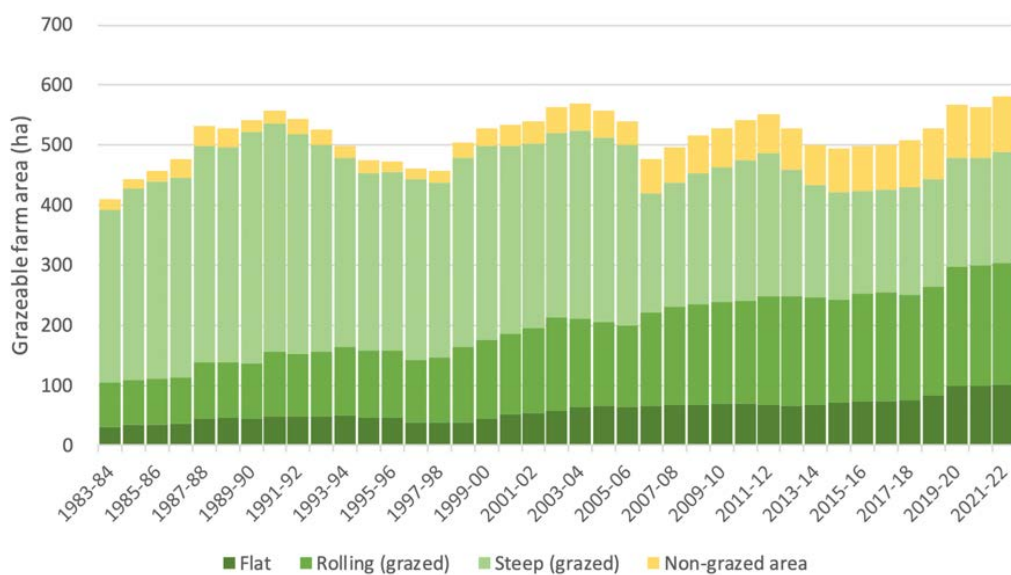


Figure 63: Farm size and topography for Hill Country sheep and beef farms in Taranaki-Manawatū from 1983 to 2021

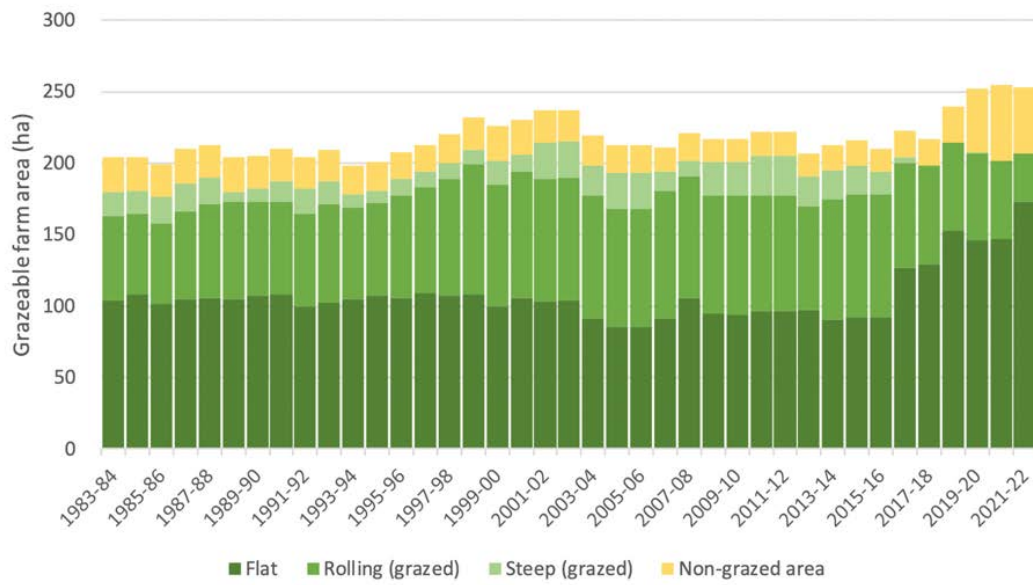


Figure 64: Farm size and topography for Finishing sheep and beef farms in Taranaki-Manawatū from 1983 to 2021



Image 44: Angus and Speckle Park Cross breeding cows on steep hill.  
Photo credit: Jacob Ladd.

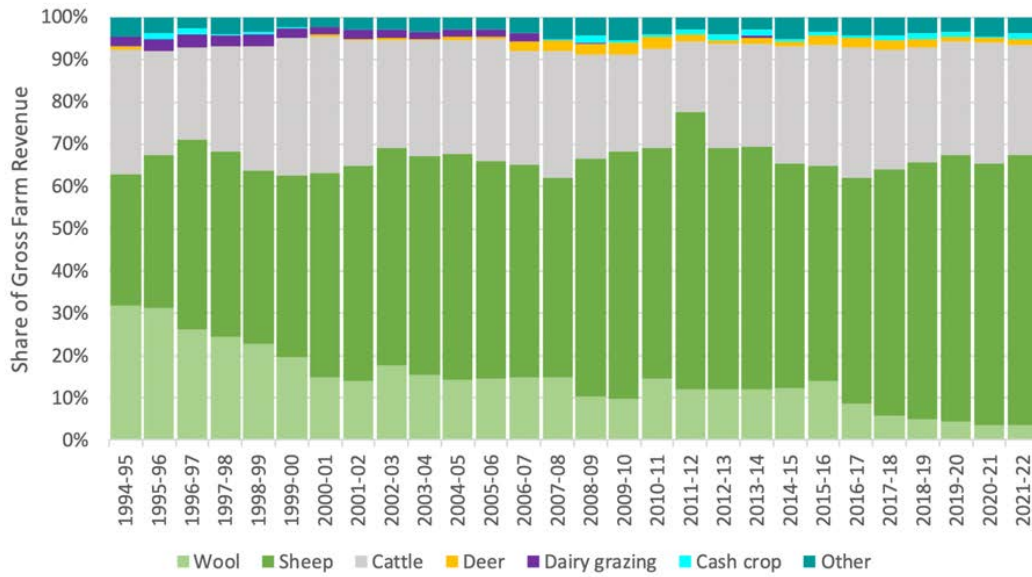


Figure 65: Revenue for Hard Hill Country sheep and beef farms in Taranaki-Manawatū from 1994 to 2021

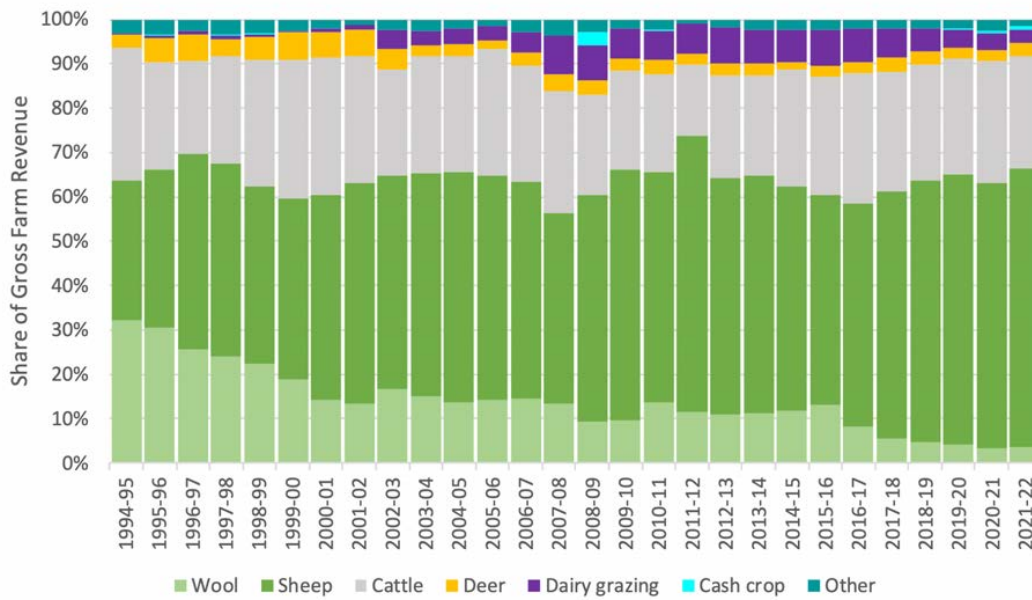


Figure 66: Revenue for Hill Country sheep and beef farms in Taranaki-Manawatū from 1994 to 2021

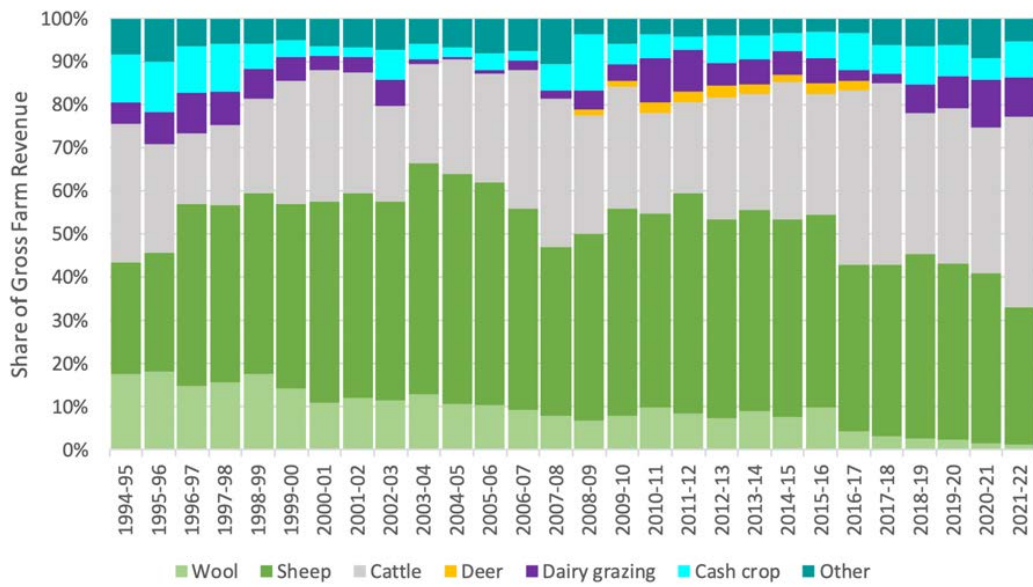


Figure 67: Revenue for Finishing sheep and beef farms in Taranaki-Manawatū from 1994 to 2021

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**Date:** 6 August 2024

**Subject:** 2025 Meeting Schedule

**Author:** N Chadwick, Executive Assistant to the Chief Executive and Chair

**Approved by:** M J Nield, Director – Corporate Services

**Document:** 3292936

### Purpose

1. The purpose of this memorandum is to present the proposed 2025 meeting schedule for review.

### Recommendations

That Taranaki Regional Council:

- a) receives this memorandum and the attached 2025 Meeting Schedule
- b) notes the proposed council and committee meeting dates for 2025
- c) advises the Chief executive any changes to the 2025 Meeting Schedule.

### Discussion

2. The meeting schedule has been prepared and reflects our 6 weekly cycle.
3. All relevant public holidays have been noted in the calendar.
4. There will be a local government election in 2025, with the election date set for 11 October 2025.
5. We have proposed meeting dates for the full year but note that meetings proposed to occur post the 2025 elections are subject to change at the discretion of the incoming council.
6. The Yarrow Stadium Joint Committee (YSJC) is administrated by New Plymouth District Council (NPDC) and officers have worked together to find a meeting date but councillors should note this is a tentative date.
7. There will be a second YSJC meeting booked for after the 2025 election but the date of this will not be confirmed until after the election.
8. Traditionally, Local Government New Zealand (LGNZ) hold their annual conference in the second or third week of August but no dates for this event have been confirmed at the time of preparing the calendar.
9. No meetings have been proposed for this two week period to allow councillors to attend the conference, should they so desire.

### **Financial considerations—LTP/Annual Plan**

10. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

11. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

### **Iwi considerations**

12. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted Long-Term Plan and/or Annual Plan.

### **Community considerations**

13. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

14. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 3282223: [2025 Meeting Schedule](#)

Ordinary Council - 2025 Meeting Schedule

2025 TRC Council Meeting Schedule

	January	February	March	April	May	June	July	August	September	October	November	December												
Sunday						1																		
Monday						2	King's Birthday					1												
Tuesday				1	Ordinary Council	3			1			2	O&R and P&P											
Wednesday	1	New Years' Day		2		4			2		1		3											
Thursday	2	Day after NY Day		3		1	CDEM CEG	5	Regional Transport	3			4											
Friday	3			4		2		6		4			5											
Saturday	4		1	1	5	3		7		5	2		6											
Sunday	5		2	2	6	4		8		6	3		7											
Monday	6		3		7		5	Exec, Audit & Risk	9		7		8	Exec, Audit & Risk										
Tuesday	7		4	O&R and P&P	4		8		6		10	O&R and P&P	8		5	Ordinary Council	9		4	Ordinary Council	9			
Wednesday	8		5	Yarrow Stadium JC	5		9		7		11		9		6		10		8		5	Ordinary Council	9	
Thursday	9		6	Waitangi Day	6		10		8		12		10		7	CDEM JC	11		9		6	CDEM CEG	11	
Friday	10		7		7		11		9		13		11		8		12		10		7		12	
Saturday	11		8		8		12		10		14		12		9		13		11		8		13	
Sunday	12		9		9		13		11		15		13		10		14		12		9		14	
Monday	13		10	Exec, Audit & Risk	10	Taranaki Anniversary	14		12		16	Exec, Audit & Risk	14		11		15		13		10		15	
Tuesday	14		11		11		15		13	Ordinary Council	17		15		12		16	Ordinary Council	14		11		16	Ordinary Council
Wednesday	15		12		12		16		14		18		16		13		17		15		12		17	
Thursday	16		13	CDEM CEG	13	Regional Transport	17		15		19		17		14		18		16		13		18	
Friday	17		14		14		18	Good Friday	16		20	Matanki	18		15		19		17		14		19	
Saturday	18		15		15		19		17		21		19		16		20		18		15		20	
Sunday	19		16		16		20		18		22		20		17		21		19		16		21	
Monday	20		17		17		21	Easter Monday	19		23		21		18		22		20		17		22	
Tuesday	21		18	Ordinary Council	18	O&R and P&P	22		20		24	Ordinary Council	22	O&R and P&P	19		23		21		18		23	
Wednesday	22		19		19		23		21		25		23		20		24		22		19		24	
Thursday	23		20		20	Solid Waste	24		22		26		24	CDEM CEG	21		25		23		20	CDEM JC	25	Christmas Day
Friday	24		21		21		25	ANZAC Day	23		27		25		22		26		24		21		26	Boxing Day
Saturday	25		22		22		26		24		28		26		23		27		25		22		27	
Sunday	26		23		23		27		25		29		27		24		28		26		23		28	
Monday	27		24		24	Exec, Audit & Risk	28		26		30		28	Exec, Audit & Risk	25		29		27	Labour Day	24		29	
Tuesday	28		25		25		29	O&R and P&P	27				29		26	O&R and P&P	30		28		25		30	
Wednesday	29		26		26		30		28				30		27				29	Triennial Meeting	26		31	
Thursday	30		27	CDEM JC	27				29		31		28	Regional Transport				30		27	Regional Transport			
Friday	31		28		28				30				29						31		28			
Saturday			29		29				31				30								29			
Sunday			30		30								31								30			
Monday			31		31																			

KEY

<span style="background-color: #FFC0CB; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Public Holiday	
<span style="background-color: #FFD700; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Ordinary Council	10:30am
<span style="background-color: #FFA07A; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Exec, Audit & Risk	10:00am
<span style="background-color: #90EE90; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Operations & Regulatory	9:00am
<span style="background-color: #90EE90; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Policy and Planning	10:30am
<span style="background-color: #8A2BE2; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	CDEM CEG	10:30am
<span style="background-color: #FF00FF; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	CDEM Joint Committee	10:30am
<span style="background-color: #00FFFF; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Solid Waste	10:30am
<span style="background-color: #6495ED; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Regional Transport	10:30am
<span style="background-color: #00CED1; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	Yarrow Stadium JC	9:00am



**Date:** 6 August 2024

**Subject:** Meeting Dates for August and September 2024

**Author:** M Jones, Governance Administrator

**Approved by:** M J Nield, Director – Corporate Services

**Document:** 3271825

### Purpose

1. The purpose of this memorandum is to provide notification to members of the scheduled meeting dates for August and September 2024.

### Recommendations

That Taranaki Regional Council:

receives and notes the memorandum Meeting Dates for August and September 2024.

### Meeting Dates

Taranaki Solid Waste Management Committee	Thursday 22 August, 10.30am
Operations and Regulatory Committee	Tuesday 3 September, 9.00am
Policy and Planning Committee	Tuesday 3 September, 10.30am
CDEM – Joint Committee	Thursday 5 September, 9.00am
Executive Audit and Risk Committee	Monday 9 September 10.00am
Regional Transport Committee	Thursday 12 September 1.00pm
Ordinary Council	Tuesday 24 September 10.30am



**Date:** 6 August 2024

**Subject:** Local Government Members (2024/2025) Determination

**Author:** N Chadwick, Executive Assistant to Chief Executive and Chair

**Approved by:** M J Nield, Director- Corporate Services

**Document:** 3287673

### Purpose

1. The purpose of this memorandum is to receive and note the Remuneration Authority's communication on the Local Government Members (2024/25) Determination 2024

### Executive summary

2. The Remuneration Authority (RA) sets remuneration for elected positions in individual local authorities. It also sets the rules for reimbursement of costs met by members in undertaking their duties.
3. The attached Determination provides for an increase in remuneration of 3.7% to all local authority elected members.
4. Allowances and hearing fees have been maintained at their post 2022 local election levels.

### Recommendations

That Taranaki Regional Council:

- a) receives this memorandum and the attached Local Government Members (2024/25) Determination
- b) notes the content of the Local Government Members (2024/25) Determination and that this information will be made publicly available on the Remuneration Authority's website soon after it has been gazetted

### Financial considerations—LTP/Annual Plan

5. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### Policy considerations

6. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to,

the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

### **Iwi considerations**

7. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted Long-Term Plan and/or Annual Plan.

### **Community considerations**

8. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

9. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 3284328: [240618 Local Government Members \(2024 25\) Determination 2024- signed](#)



17/06/2024  
PCO 26494/6.0

## Local Government Members (2024/25) Determination 2024

This determination is made by the Remuneration Authority under the Remuneration Authority Act 1977 and clauses 6 and 7A of Schedule 7 of the Local Government Act 2002, after having regard to the matters specified in clause 7 of that schedule.

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Local Government Members (2024/25) Determination  
2024

cl 1

## Determination

### 1 Title

This determination is the Local Government Members (2024/25) Determination 2024.

### 2 Commencement

This determination comes into force on 1 July 2024.

### 3 Expiry

This determination expires at the close of 30 June 2025.

### *Interpretation*

### 4 Interpretation

In this determination, unless the context otherwise requires,—

**board** means—

- (a) a community board of a territorial authority other than the Auckland Council; or
- (b) a local board of the Auckland Council

**determination term** means the period from the coming into force of this determination to its expiry

**hearing** has the meaning given to it by clause 5

**hearing time** has the meaning given to it by clause 6

**local authority** means a regional council or a territorial authority

**member** means, in relation to a local authority or a board, a person who is declared to be elected to that local authority or board under the Local Electoral Act 2001 or who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the local authority or board (for example, a chairperson)

**on local authority business** includes on the business of any board of the local authority

**regional council** means a regional council named in Part 1 of Schedule 2 of the Local Government Act 2002

**RMA** means the Resource Management Act 1991

**territorial authority** means a territorial authority named in Part 2 of Schedule 2 of the Local Government Act 2002.

### 5 Meaning of hearing

In this determination, **hearing** means—

2

- (a) a hearing arising from a resource consent application made under section 88 of the RMA; or
- (b) a meeting for determining a resource consent application without a formal hearing; or
- (c) a hearing arising from a notice of requirement (including one initiated by the local authority); or
- (d) a pre-hearing meeting held under section 99 of the RMA in relation to a hearing referred to in paragraph (a) or (c); or
- (e) a hearing as part of the process of the preparation, change, variation, or review of a district or regional plan or regional policy statement; or
- (f) a mediation hearing in the Environment Court as part of an appeal from a decision of a local authority; or
- (g) a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA.

**6 Meaning of hearing time**

In this determination, **hearing time** means the time spent on any of the following:

- (a) conducting a hearing;
- (b) formal deliberations to decide the outcome of a hearing;
- (c) participating in an official group site inspection related to a hearing;
- (d) determining a resource consent application where a formal hearing does not take place;
- (e) preparing for a hearing and participating in any inspection of a site for the purposes of a hearing (other than an official group site inspection under paragraph (c));
- (f) writing a decision arising from a hearing or communicating for the purpose of the written decision.

*Entitlement to remuneration, allowances, and hearing fees*

**7 Remuneration, allowances, and hearing fees payable**

*Remuneration*

- (1) A member of a local authority or a board of that local authority is entitled to the applicable remuneration set out in the Schedule (adjusted under clause 9, if applicable).
- (2) If a member of a territorial authority is also elected or appointed to a board, the member is entitled only to the remuneration that is payable to the member as a member of the territorial authority.

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*Allowances and hearing fees*

- (3) A member of a local authority or a board is also entitled to—
- (a) the applicable allowances payable under clauses 11 to 14;
  - (b) the applicable hearing fees payable under clause 15.

**8 Acting mayor or chairperson**

- (1) This clause applies to a member who acts as a mayor or chairperson during a period when, because of a vacancy or temporary absence, the local authority is not paying the remuneration or allowances that it would usually pay to the mayor or chairperson.
- (2) While the member is acting as mayor or chairperson, the local authority must pay the member the remuneration and allowances usually payable to the mayor or chairperson, instead of the member's usual remuneration, allowances, and hearing fees.

**9 Motor vehicles for mayors and regional council chairpersons**

- (1) A local authority may provide to the mayor or regional council chairperson of the local authority—
- (a) a motor vehicle (which may be provided for restricted private use, partial private use, or full private use); or
  - (b) a vehicle-kilometre allowance under clause 11.
- (2) If a local authority provides a motor vehicle to a mayor or regional council chairperson during the determination term, the maximum purchase price that the local authority may pay for the motor vehicle is,—
- (a) in the case of a petrol or diesel vehicle, \$55,000; and
  - (b) in the case of an electric or a hybrid vehicle, \$68,500.
- (3) If a local authority provides a motor vehicle to a mayor or regional council chairperson for restricted private use, the local authority must not make a deduction from the annual remuneration payable to the mayor or regional council chairperson under the Schedule for the provision of that motor vehicle.
- (4) If a local authority provides a motor vehicle to a mayor or regional council chairperson for partial private use or full private use,—
- (a) the local authority must adjust the annual remuneration payable to the mayor or regional council chairperson under the Schedule in accordance with subclause (5) or (6) (as applicable); and
  - (b) the adjustment must take effect on and from—
    - (i) the date of commencement of this determination (in the case of a motor vehicle provided to the person before that date); or
    - (ii) the date of provision of the motor vehicle to the person (in the case of a motor vehicle provided during the determination term).

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- (5) If a local authority provides a motor vehicle to a mayor or regional council chairperson for partial private use, the local authority must deduct the amount calculated in accordance with the following formula from the remuneration payable to that person:

$$v \times 41\% \times 10\%$$

where v means the purchase price of the vehicle.

- (6) If a local authority provides a motor vehicle to a mayor or regional council chairperson for full private use, the local authority must deduct the amount calculated in accordance with the following formula from the remuneration payable to that person:

$$v \times 41\% \times 20\%$$

where v means the purchase price of the vehicle.

- (7) In this clause,—

**full private use** means—

- (a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and
- (b) the vehicle is available for the mayor's or regional council chairperson's unrestricted private use; and
- (c) the vehicle is used by the mayor or regional council chairperson for both local authority business and private use; and
- (d) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional council chairperson

**partial private use** means—

- (a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and
- (b) the vehicle is used by the mayor or regional council chairperson for both local authority business and private purposes; and
- (c) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional council chairperson; and
- (d) all travel in the vehicle is recorded in a logbook; and
- (e) the use of the vehicle for private purposes accounts for no more than 10% of the distance travelled in the vehicle in a year

**purchase price** means the amount paid for the vehicle,—

- (a) including goods and services tax and any on-road costs; and
- (b) after deducting the amount of any rebate that applies under the clean car discount scheme in respect of the purchase of the vehicle

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**restricted private use means—**

- (a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and
- (b) the vehicle is otherwise generally available for use by other local authority members or staff on local authority business; and
- (c) the vehicle is used solely for local authority business; and
- (d) all travel in the vehicle is recorded in a logbook.

*Allowances*

**10 Definition of member**

For the purposes of payment of allowances under clauses 11 to 14, **member**, in relation to a territorial authority, includes a member of a board of the territorial authority.

**11 Vehicle-kilometre allowance**

- (1) A local authority may pay to a member a vehicle-kilometre allowance to reimburse that member for costs incurred in relation to eligible travel.
- (2) A member’s travel is eligible for the allowance if—
  - (a) it occurs at a time when the member is not provided with a motor vehicle by the local authority; and
  - (b) the member is travelling—
    - (i) in a private vehicle; and
    - (ii) on local authority business; and
    - (iii) by the most direct route that is reasonable in the circumstances.
- (3) The allowance payable to a member for eligible travel is,—
  - (a) for a petrol or diesel vehicle,—
    - (i) 95 cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
    - (ii) 34 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term;
  - (b) for a petrol hybrid vehicle,—
    - (i) 95 cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and
    - (ii) 20 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term;
  - (c) for an electric vehicle,—
    - (i) 95 cents per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and

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- (ii) 11 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term.
- (4) However, if a member of a local authority travels from a place where the member permanently or temporarily resides that is outside the local authority area, to the local authority area on local authority business, the member is only eligible for a vehicle-kilometre allowance for eligible travel after the member crosses the boundary of the local authority area.
- (5) Subclause (4) does not apply to the payment of a vehicle-kilometre allowance by a local authority to a member who permanently or temporarily resides outside the local authority area if—
  - (a) the member’s primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member’s control requires them to move outside the local authority area; and
  - (b) the Remuneration Authority determines, on an application from the member and having considered the recommendation of the mayor or regional council chairperson, that subclause (4) does not apply.

**12 Travel-time allowance**

- (1) A local authority may pay a member (other than a mayor or a regional council chairperson) an allowance for eligible travel time.
- (2) A member’s travel time is eligible for the allowance if it is time spent travelling within New Zealand—
  - (a) on local authority business; and
  - (b) by the quickest form of transport that is reasonable in the circumstances; and
  - (c) by the most direct route that is reasonable in the circumstances.
- (3) The travel-time allowance is \$40 for each hour (pro-rated in the case of a part of an hour) of eligible travel time after the first hour of eligible travel time travelled in a day.
- (4) However, if a member of a local authority permanently or temporarily resides outside the local authority area and travels to the local authority area on local authority business, the member is only eligible for a travel-time allowance for eligible travel time—
  - (a) after the member crosses the boundary of the local authority area; and
  - (b) after the first hour of eligible travel time within the local authority area.
- (5) Subclause (4) does not apply to the payment of a travel-time allowance by a local authority to a member who permanently or temporarily resides outside the local authority area if—

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- (a) the member's primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member's control requires them to move outside the local authority area; and
  - (b) the Remuneration Authority determines, on an application from the member and having considered the recommendation of the mayor or regional council chairperson, that subclause (4) does not apply.
- (6) The maximum total amount of travel-time allowance that a member may be paid for eligible travel in a 24-hour period is 8 hours.
- (7) Despite subclause (1), the Chatham Islands Council may pay the Mayor of the Chatham Islands Council an allowance for eligible travel time.

**13 ICT allowances**

*Member uses local authority's ICT*

- (1) If a local authority supplies ICT to a member for use on local authority business and allows for its personal use, the local authority may decide what portion, if any, of the local authority's costs reasonably attributable to such personal use must be paid by the member.

*Member uses own equipment and consumables*

- (2) If a local authority determines that a member requires particular ICT equipment to perform their functions and requests that the member use their own equipment for those purposes, the local authority may pay an allowance.
- (3) The matters for which the local authority may pay an allowance, and the amounts that the local authority may pay for the determination term, are as follows:
- (a) for the use of a personal computer, tablet, or laptop, including any related docking station, \$400;
  - (b) for the use of a multi-functional or other printer, \$50;
  - (c) for the use of a mobile telephone, \$200;
  - (d) for the use of ICT consumables, up to \$200.

*Member uses own services*

- (4) If a local authority requests a member to use the member's own internet service for the purpose of the member's work on local authority business, the member is entitled to an allowance for that use of up to \$800 for the determination term.
- (5) If a local authority requests a member to use the member's own mobile telephone service for the purpose of the member's work on local authority business, the member is entitled, at the member's option, to—
- (a) an allowance for that use of up to \$500 for the determination term; or
  - (b) reimbursement of actual costs of telephone calls made on local authority business on production of the relevant telephone records and receipts.



*Pro-rating*

- (6) If the member is not a member for the whole of the determination term, subclauses (3) to (5) apply as if each reference to an amount were replaced by a reference to an amount calculated in accordance with the following formula:

$$(a \div b) \times c$$

where—

- a is the number of days that the member held office in the determination term
  - b is the number of days in the determination term
  - c is the relevant amount specified in subclauses (3) to (5).
- (7) The Remuneration Authority may approve rules proposed by a local authority to meet the costs of installing and running special ICT where, because of distance or restricted access, normal communications connections are not available.
- (8) In this clause, **ICT** means information or communication technology, including—
- (a) ICT equipment (for example, a mobile telephone and a laptop computer); and
  - (b) ICT services (for example, a mobile telephone service and an internet service); and
  - (c) ICT consumables (for example, printer or photocopy paper and ink cartridges).

**14 Childcare allowance**

- (1) A local authority may pay a childcare allowance to an eligible member as a contribution towards expenses incurred by the member for childcare provided while the member is engaged on local authority business.
- (2) A member is eligible to be paid a childcare allowance for childcare provided for a child only if—
- (a) the member is a parent or guardian of the child or is a person who usually has responsibility for the day-to-day care of the child (other than on a temporary basis); and
  - (b) the child is under 14 years of age; and
  - (c) the childcare is provided by a person who—
    - (i) is not a parent of the child or a spouse, civil union partner, or de facto partner of the member; and
    - (ii) does not ordinarily reside with the member; and
  - (d) the member provides evidence satisfactory to the local authority of the amount paid for childcare.

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- (3) A local authority must not pay childcare allowances to a member that total more than \$6,000 per child during the determination term.

*Hearing fees*

**15 Fees related to hearings**

- (1) A member of a local authority or member of a board who acts as the chairperson of a hearing is entitled to be paid a fee of up to \$116 per hour of hearing time related to the hearing.
- (2) A member of a local authority or member of a board who is not the chairperson of a hearing is entitled to be paid a fee of up to \$93 per hour of hearing time related to the hearing.
- (3) For any period of hearing time that is less than 1 hour, the fee must be apportioned accordingly.
- (4) This clause does not apply to—
- (a) a mayor or a member who acts as mayor and is paid the mayor's remuneration and allowances under clause 8(2); or
  - (b) a chairperson of a regional council or a member who acts as chairperson of a regional council and is paid the chairperson's remuneration and allowances under clause 8(2).

*Revocation*

**16 Revocation**

The Local Government Members (2023/24) Determination 2023 (SL 2023/142) is revoked.

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Schedule

**Schedule  
Remuneration**

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**Part 1  
Remuneration of members of regional councils**

**Bay of Plenty Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	158,165
Regional Council Deputy Chairperson	82,964
Committee Chairs (6)	72,590
Councillor with no additional responsibilities	63,801
Councillor (minimum allowable remuneration)	56,542

**Canterbury Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	186,660
Regional Council Deputy Chairperson	124,440
Councillor with no additional responsibilities	74,107
Councillor (minimum allowable remuneration)	66,845

**Hawke's Bay Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	148,043
Regional Council Deputy Chairperson	69,186
Corporate and Strategic Committee Chairperson	69,186
Environment and Integrated Catchments Committee Chairperson	69,186
Regional Transport Committee Chairperson	69,186
Clifton to Tangoio Coastal Hazards Strategy Joint Committee Chairperson	69,186
Councillor appointed as director of Hawke's Bay Regional Investment Company Ltd	69,186
Councillor with no additional responsibilities	63,257
Councillor (minimum allowable remuneration)	60,378

**Manawatū–Whanganui Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	153,365
Regional Council Deputy Chairperson	63,907
Audit, Risk, and Investment Committee Chair	61,351
Audit, Risk, and Investment Committee Deputy Chair	51,126
Integrated Catchment Committee Chair	61,351
Integrated Catchment Committee Deputy Chair	58,795

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Passenger Transport Committee Chair	61,351
Passenger Transport Committee Deputy Chair	51,126
Manawatū River Users` Advisory Group Chair	51,126
Councillor with no additional responsibilities	51,126
Councillor (minimum allowable remuneration)	50,825
<b>Northland Regional Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	138,846
Regional Council Deputy Chairperson	87,685
Chair of Regional Transport Committee and Infrastructure Committee	75,759
Chair of Whangarei Public Transport Working Party	74,515
Chair of Audit, Risk, and Finance Committee	73,892
Councillor with no additional responsibilities	72,648
Councillor (minimum allowable remuneration)	55,697
<b>Otago Regional Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	158,538
Regional Council Deputy Chairperson	88,009
Councillor with no additional responsibilities	67,405
Councillor (minimum allowable remuneration)	52,714
<b>Southland Regional Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	134,223
Regional Council Deputy Chairperson and Chair of Regional Transport Committee	65,606
Chair, Strategy and Policy Committee	60,920
Chair, Regulatory Committee	56,234
Chair, Regional Services Committee	56,234
Chair, Finance and Performance Committee	56,234
Councillor with no additional responsibilities	46,862
Councillor (minimum allowable remuneration)	39,186
<b>Taranaki Regional Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	116,379
Regional Council Deputy Chairperson	56,543
Chairperson of Policy and Planning Committee	56,543
Chairperson of Operations and Regulatory Committee	56,543
Chairperson of Executive, Audit and Risk Committee	56,543
Chairperson of Regional Transport Committee	45,773

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson of Taranaki Solid Waste Management Committee	45,773
Chairperson of Yarrow Stadium Joint Committee	45,773
Taranaki Regional Council Agriculture Portfolio Holder	45,773
Councillor with no additional responsibilities	40,926
Councillor (minimum allowable remuneration)	38,880

**Waikato Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	169,294
Regional Council Deputy Chairperson	86,693
Committee Chairperson A (Strategy and Policy Committee and Integrated Catchment Management Committee) (2)	80,024
Committee Chairperson B (Regional Transport Committee, Finance and Services Committee, Environmental Performance Committee, Climate Action Committee) (4)	76,690
Deputy Chairperson of Integrated Catchment Management Committee	73,355
Deputy Chairperson of Committees (Finance and Services Committee, Strategy and Policy Committee, Environmental Performance Committee, Climate Action Committee) (4)	68,688
Councillor with no additional responsibilities	66,687
Councillor (minimum allowable remuneration)	60,810

**Wellington Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	183,144
Regional Council Deputy Chairperson, with committee chairperson responsibilities	99,864
Chair, Environment Committee and Climate Committee	89,312
Chair, Te Tiriti o Waitangi Committee	89,312
Chair, Transport Committee	89,312
Chair, Chief Executive Employment Review Committee	85,739
Chair, Hutt Valley Flood Management Subcommittee	85,739
Co-Chair, Te Upoko Taiao–Natural Resources Plan Committee	85,739
Councillor with no additional responsibilities	71,449
Councillor (minimum allowable remuneration)	65,577

**West Coast Regional Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Regional Council Chairperson	100,238
Regional Council Deputy Chairperson and Chair of Resource Management Committee	65,154
Chair of Risk and Assurance Committee, Chair of Remuneration and Employment Committee, and Chair of Infrastructure Governance Committee	58,639
Councillor with no additional responsibilities	54,604

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Councillor (minimum allowable remuneration)	38,485

**Part 2**  
**Remuneration of members of territorial authorities and their  
community or local boards**

*Ashburton District Council*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	137,600
Deputy Mayor	82,963
Councillor with no additional responsibilities	47,986
Councillor (minimum allowable remuneration)	30,946

*Methven Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	5,990
Member	2,995

*Auckland Council*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	306,952
Deputy Mayor	168,817
Chair, Committee of the Whole (2)	144,649
Deputy Chair, Committee of the Whole (3)	135,115
Chair, Decision-making Committee (4)	135,763
Deputy Chair, Decision-making Committee (4)	134,078
Chair, Other Committee	134,596
Deputy Chair, Audit and Risk Committee	132,522
Chief Liaison Councillor (Advisory Panels)	132,522
Portfolio Leader	122,153
Councillor appointed as director of Auckland Transport (2)	111,782
Councillor (minimum allowable remuneration)	111,782

*Albert–Eden Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	100,660
Deputy Chairperson	60,396
Member	50,330

*Aotea/Great Barrier Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	62,282

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Deputy Chairperson	37,369
Member	31,141

*Devonport–Takapuna Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	94,728
Deputy Chairperson	56,837
Member	47,364

*Franklin Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	99,000
Deputy Chairperson	59,400
Member	49,500

*Henderson–Massey Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	110,877
Deputy Chairperson	66,526
Member	55,439

*Hibiscus and Bays Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	101,252
Deputy Chairperson	60,751
Member	50,626

*Howick Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	106,027
Deputy Chairperson	63,616
Member	53,014

*Kaipātiki Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	100,451
Deputy Chairperson	60,271
Member	50,226

*Māngere–Ōtāhuhu Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	111,623
Deputy Chairperson	66,974

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Member	55,811
<i>Manurewa Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	110,241
Deputy Chairperson	66,145
Member	55,121
<i>Maungakiekie–Tāmaki Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	104,595
Deputy Chairperson	62,757
Member	52,297
<i>Ōrākei Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	97,975
Deputy Chairperson	58,785
Member	48,987
<i>Ōtara–Papatoetoe Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	111,174
Deputy Chairperson	66,704
Member	55,587
<i>Papakura Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	101,746
Deputy Chairperson	61,048
Member	50,873
<i>Puketāpapa Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	97,003
Deputy Chairperson	58,202
Member	48,502
<i>Rodney Local Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	97,097
Deputy Chairperson	58,258
Member	48,549



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*Upper Harbour Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	95,832
Deputy Chairperson	57,499
Member	47,916

*Waiheke Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	73,326
Deputy Chairperson	43,996
Member	36,663

*Waitākere Ranges Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	94,882
Deputy Chairperson	56,929
Member	47,441

*Waitematā Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	105,471
Deputy Chairperson	63,283
Member	52,736

*Whau Local Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	103,106
Deputy Chairperson	61,863
Member	51,553

**Buller District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	120,018
Deputy Mayor	37,332
Councillor with no additional responsibilities	33,219
Councillor (minimum allowable remuneration)	24,515

*Inangahua Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,945
Member	3,973

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**Carterton District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	104,079
Deputy Mayor	51,845
Councillor with no additional responsibilities	26,187
Councillor (minimum allowable remuneration)	20,092

**Central Hawke's Bay District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	123,685
Deputy Mayor	59,109
Portfolio Leads (7)	43,489
Councillor (minimum allowable remuneration)	32,563

**Central Otago District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	125,312
Deputy Mayor, Planning and Regulatory Portfolio Lead, and Cromwell Community Board Member	41,798
3 Waters and Waste Portfolio Lead	31,066
Community Vision and Experience Portfolio Lead, Vincent Community Board Member, Vincent Community Board Chair, and Audit and Risk Member	42,927
Roading Portfolio Lead and Maniototo Community Board Member	33,608
Councillor and Cromwell Community Board Member (2)	33,325
Councillor, Vincent Community Board Member, and Audit and Risk Member	36,149
Councillor and Vincent Community Board Member	33,325
Councillor, Teviot Valley Community Board Member, and Audit and Risk Member	33,608
Councillor with no additional responsibilities	28,242
Councillor (minimum allowable remuneration)	28,188

*Cromwell Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,812
Member	7,906

*Maniototo Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,668
Member	3,834

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*Teviot Valley Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,668
Member	3,834

*Vincent Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	17,011
Member	8,505

**Chatham Islands Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	59,532
Deputy Mayor	25,168
Councillor/Civil Defence Emergency Group (7)	18,892
Councillor (minimum allowable remuneration)	14,274

**Christchurch City Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	207,400
Deputy Mayor	140,300
Councillor with no additional responsibilities	122,000
Councillor (minimum allowable remuneration)	103,988

*Te Pātaka o Rākaihautū Banks Peninsula Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	21,899
Member	10,950

*Waihoru Spreydon–Cashmere–Heathcote Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	56,164
Member	28,082

*Waimāero Fendalton–Waimairi–Harewood Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	53,513
Member	26,757

*Waipapa Papanui–Innes–Central Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	51,097
Member	25,549

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<i>Waipuna Halswell–Hornby–Riccarton Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	55,158
Member	27,579
<i>Waitai Coastal–Burwood–Linwood Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	53,719
Member	26,859
<b>Clutha District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	129,250
Deputy Mayor	35,874
Committee Chairperson (3)	34,164
Executive Committee Member (3)	29,040
Councillor with no additional responsibilities	25,623
Councillor (minimum allowable remuneration)	22,595
<i>Lawrence–Tuapeka Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	6,469
Member	3,234
<i>West Otago Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,668
Member	3,834
<b>Dunedin City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	178,756
Deputy Mayor	110,172
Chair (7)	93,479
Deputy Chair (4)	80,125
Councillor with no additional responsibilities	75,451
Councillor (minimum allowable remuneration)	66,556
<i>Mosgiel–Taieri Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	21,352
Member	10,676

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*Otago Peninsula Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,031
Member	9,016

*Saddle Hill Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,268
Member	9,134

*Strath Taieri Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,057
Member	8,028

*Waikouaiti Coast Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	17,793
Member	8,896

*West Harbour Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,268
Member	9,134

**Far North District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	168,906
Deputy Mayor	129,648
Councillor with no additional responsibilities	88,161
Councillor (minimum allowable remuneration)	67,052

*Bay of Islands–Whangaroa Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	34,713
Member	17,356

*Kaikohe–Hokianga Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	29,754
Member	14,877

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<i>Te Hiku Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	30,374
Member	15,187
<b>Gisborne District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	163,917
Deputy Mayor	72,332
Chairperson Operations—Infrastructure	61,998
Chairperson Operations—Environment and Communities	61,998
Chairperson Regional Transport	56,832
Chairperson Wastewater Management	54,249
Chairperson Bylaw Submissions Hearing Panel	56,832
Councillor with no additional responsibilities	51,665
Councillor (minimum allowable remuneration)	43,150
<b>Gore District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	116,154
Deputy Mayor and Chairperson, Policy and Planning Committee	36,957
Chairperson, Audit and Risk Committee	32,147
Chairperson, Assets and Infrastructure Committee	32,147
Chairperson, Community Wellbeing Committee	32,147
Councillor with no additional responsibilities	24,888
Councillor (minimum allowable remuneration)	19,844
<i>Mataura Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	4,575
Member	2,288
<b>Grey District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	120,941
Deputy Mayor	54,542
Councillor with no additional responsibilities	41,230
Councillor (minimum allowable remuneration)	30,641
<b>Hamilton City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	187,007
Deputy Mayor	116,199
Chair of Committee of the Whole (4)	104,762

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Chair of the Regulatory and Hearings Committee	99,561
Deputy Chair of Committee of the Whole (4)	91,261
Councillor with no additional responsibilities	83,527
Councillor (minimum allowable remuneration)	83,264

**Hastings District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	166,910
Deputy Mayor	83,567
Chair of Committee of the Whole Council (2)	68,880
Committee Chairs (2)	60,775
Working Group/Subcommittee Chairs (3)	59,256
Deputy Chairs (3)	54,699
Lead Councillors (4)	54,699
Councillor (minimum allowable remuneration)	49,514

*Hastings District Rural Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,689
Member	8,345

**Hauraki District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	133,748
Deputy Mayor	54,762
Chair Community Partnerships Committee	51,652
Councillor with no additional responsibilities	30,167
Councillor (minimum allowable remuneration)	26,766

**Horowhenua District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	146,627
Deputy Mayor and Chair Hearings and Regulatory Committee	68,241
Chair—Risk and Assurance Committee. Chair—District Plan Steering Group	52,184
Chair—Community Funding and Recognition Committee	48,170
Chair—Capital Projects Delivery Steering Group	44,155
Councillor with no additional responsibilities	40,141
Councillor (minimum allowable remuneration)	34,703

*Te Awahou Foxton Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	13,894
Member	6,947

Schedule	<b>Local Government Members (2024/25) Determination 2024</b>
<b>Hurunui District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	117,324
Deputy Mayor	40,256
Committee Chairs (3)	34,505
Councillor with no additional responsibilities	28,755
Councillor (minimum allowable remuneration)	25,717
<i>Hanmer Springs Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,908
Member	4,454
<b>Hutt City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	170,116
Deputy Mayor	100,079
Chair of Standing Committee (5)	85,768
Chair of Traffic Subcommittee	77,781
Chair of Hutt Valley Services Committee	68,969
Deputy Chair of Communities Committee	65,858
Deputy Chair of Climate Change and Sustainability Committee	65,858
Councillor with no additional responsibilities	63,784
Councillor (minimum allowable remuneration)	60,011
<i>Eastbourne Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,020
Member	7,510
<i>Petone Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	17,880
Member	8,940
<i>Wainuiomata Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,836
Member	9,418
<b>Invercargill City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	154,815
Deputy Mayor	65,820



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<b>Office</b>	<b>Annual remuneration (\$)</b>
Chair of Standing Committee (2)	57,110
Chair of Standing Committee and Project Lead—Museum	62,294
Councillor with no additional responsibilities	44,043
Councillor (minimum allowable remuneration)	40,072

*Bluff Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	9,536
Member	4,768

**Kaikoura District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	89,182
Deputy Mayor	42,402
Councillor with no additional responsibilities	28,206
Councillor (minimum allowable remuneration)	20,304

**Kaipara District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	138,441
Deputy Mayor	68,719
Councillor with no additional responsibilities	50,548
Councillor (minimum allowable remuneration)	39,549

**Kapiti Coast District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	150,975
Deputy Mayor	68,746
Chair of Strategy, Operations, and Finance	62,183
Deputy Chair of Strategy, Operations, and Finance and Chairs of Mayor Subcommittees (3)	59,072
Chair of Grants Allocation Subcommittee	54,924
Councillor with additional responsibilities for community boards, panels, and advisory groups (4)	50,776
Councillor (minimum allowable remuneration)	40,406

*Ōtaki Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,138
Member	8,069

*Paekākāriki Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,547

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<b>Office</b>		<b>Annual remuneration (\$)</b>
Member		4,273
<i>Paraparaumu Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		20,599
Member		10,299
<i>Raumati Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		15,696
Member		7,848
<i>Waikanae Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		18,737
Member		9,368
<b>Kawerau District Council</b>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Mayor		111,214
Deputy Mayor		43,849
Chair—Regulatory and Services Committee		39,151
Councillor with no additional responsibilities		31,322
Councillor (minimum allowable remuneration)		21,741
<b>Mackenzie District Council</b>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Mayor		91,996
Deputy Mayor		37,164
Councillor with no additional responsibilities		29,582
Councillor (minimum allowable remuneration)		22,745
<i>Fairlie Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		4,440
Member		2,220
<i>Tekapo Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		4,440
Member		2,220

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*Twizel Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	5,538
Member	2,769

**Manawatu District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	136,955
Deputy Mayor	54,822
Committee Chairs (Audit and Risk, Hearings, Chief Executive's Employment) (3)	43,074
Submission Assessment Panel (2)	41,116
Councillor with no additional responsibilities	39,158
Councillor (minimum allowable remuneration)	34,639

**Marlborough District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	155,456
Deputy Mayor	57,640
Chairperson Standing Committee (2)	52,109
Chairperson Statutory/Joint Committee	46,406
Deputy Chairperson Standing Committee (2)	44,850
Councillor with no additional responsibilities	41,739
Councillor (minimum allowable remuneration)	39,723

**Masterton District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	138,471
Deputy Mayor	77,550
Chairperson—Infrastructure and Services Committee	64,179
Chairperson—Awards and Grants Committee	58,831
Chairperson—Hearings Committee	58,831
Councillor with no additional responsibilities	53,483
Councillor (minimum allowable remuneration)	35,707

**Matamata–Piako District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	139,511
Deputy Mayor	47,315
Councillor with no additional responsibilities	39,430
Councillor (minimum allowable remuneration)	33,637

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<b>Napier City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	159,582
Deputy Mayor; Chair Standing Committee	94,402
Senior Chair; Chair Standing Committee	73,627
Chair Standing Committee (2)	73,627
Deputy Chair Standing Committee (4)	66,368
Deputy Chair Hearing Committee	64,294
Portfolio holder (3)	62,220
Councillor (minimum allowable remuneration)	50,889
<b>Nelson City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	155,456
Deputy Mayor	67,405
Councillor with no additional responsibilities	51,316
Councillor (minimum allowable remuneration)	41,566
<b>New Plymouth District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	166,705
Deputy Mayor	92,854
Chairpersons Strategy and Operations Committee, Te Huinga Taumatua and Finance, and Audit and Risk Committee (3)	67,530
Deputy Chairperson Strategy and Operations Committee	61,903
Chairpersons CCOs Committee, Strategic Projects Committee, and Community Development Committee (3)	64,716
Deputy Chairperson CCOs Committee and Community Development Committee (2)	59,651
Age and Accessibility Working Party Chairperson	59,088
Clifton Community Board appointee (October 2022–30 April 2024)/ Waitara Community Board appointee (1 May 2024–October 2025)	59,088
Councillor with no additional responsibilities	56,275
Councillor (minimum allowable remuneration)	50,327
<i>Clifton Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	13,593
Member	6,796
<i>Inglewood Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,942
Member	9,471

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*Kaitake Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,405
Member	8,203

*Puketapu–Bell Block Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,257
Member	9,129

*Waitara Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,257
Member	9,129

*Ōpōtiki District Council*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	118,425
Deputy Mayor	61,594
Chair of Committee—Strategy Planning and Regulatory	55,480
Chair of Committee—Performance and Delivery	55,480
Chair of Committee—Coast Community Board	55,480
Councillor with no additional responsibilities	48,221
Councillor (minimum allowable remuneration)	32,747

*Coast Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	11,075
Member	5,538

*Ōtorohanga District Council*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	111,441
Deputy Mayor	39,005
Council Representative on Ōtorohanga Community Board and Risk and Assurance Member	32,174
Council Representative on Ōtorohanga Community Board and Grants and Awards Chair	32,174
Council Representative on Grants and Awards Committee (3)	27,710
Council Representative on Kāwhia Community Board and Risk and Assurance Deputy Chair	32,000
Council Representative on Risk and Assurance Committee	28,355
Councillor with no additional responsibilities	25,777
Councillor (minimum allowable remuneration)	25,607

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<i>Kāwhia Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	4,440
Member	2,220
<i>Ōtorohanga Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,889
Member	7,944
<b>Palmerston North City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	166,246
Deputy Mayor	64,024
Chair of Committee (5)	61,944
Deputy Chair of Committee (4)	58,833
Deputy Chair—Strategy and Finance Committee and Deputy Chair—Risk and Assurance Committee	60,907
Councillor with no additional responsibilities	56,759
Councillor (minimum allowable remuneration)	49,619
<b>Porirua City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	157,576
Deputy Mayor	72,590
Chair Committee of the Whole (Heamana Tuatahi)	67,664
Chair Committee of the Whole (Heamana Tuarua)	67,664
Chair Chief Executive Employment Committee	60,907
Chair Wastewater Treatment Plant and Landfill Joint Committee	61,183
Councillor with no additional responsibilities	57,035
Councillor (minimum allowable remuneration)	43,695
<b>Queenstown–Lakes District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	149,052
Deputy Mayor	58,391
Chair of Committee (3)	54,624
Councillor with no additional responsibilities	47,090
Councillor (minimum allowable remuneration)	42,216
<i>Wānaka–Upper Clutha Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	26,595
Member	13,297

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**Rangitikei District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	125,219
Deputy Mayor	40,802
Chair of Committee (3)	38,576
Chair of Chief Executive Review Committee	31,912
Deputy Chair of Committee (3)	32,467
Councillor with no additional responsibilities	29,690
Councillor (minimum allowable remuneration)	26,530

*Rātana Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	4,720
Member	2,360

*Taihape Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	9,630
Member	4,815

**Rotorua District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	165,587
Deputy Mayor, Deputy Chair of Council, and Committee Chair	149,107
Deputy Co-chair of the Community and District Development Committee (2)	101,108
Deputy Co-chair of the Infrastructure and Environment Committee (2)	101,108
Councillor with no additional responsibilities	67,405
Councillor (minimum allowable remuneration)	61,641

*Rotorua Lakes Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,645
Member	9,323

*Rotorua Rural Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	20,837
Member	10,419

**Ruapehu District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	124,955

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<b>Office</b>	<b>Annual remuneration (\$)</b>
Deputy Mayor	51,850
Councillor with no additional responsibilities	40,139
Councillor (minimum allowable remuneration)	24,834
<i>Ōwhango–National Park Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	6,622
Member	3,311
<i>Taumarunui–Ōhura Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,001
Member	7,501
<i>Waimarino–Waiouru Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,001
Member	7,501
<b>Selwyn District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	152,295
Deputy Mayor	67,762
Councillor with no additional responsibilities	56,468
Councillor (minimum allowable remuneration)	41,600
<i>Malvern Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	19,670
Member	9,835
<b>South Taranaki District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	145,131
Deputy Mayor	56,414
Risk and Assurance Committee members (4)	41,371
Councillor with no additional responsibilities	37,610
Councillor (minimum allowable remuneration)	32,031
<i>Eltham–Kaponga Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,653
Member	6,327



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*Pātea Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,218
Member	6,109

*Taranaki Coastal Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	13,858
Member	6,929

*Te Hāwera Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	15,574
Member	7,787

**South Waikato District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	138,565
Deputy Mayor	53,616
Committee Chair A Local Services Committee	53,067
Committee Chair B Growth and Infrastructure Committee	53,067
Committee Chair C Grants Committee	49,738
Councillor with no additional responsibilities	44,089
Councillor (minimum allowable remuneration)	33,775

*Tirau Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,427
Member	3,713

**South Wairarapa District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	109,048
Deputy Mayor	37,255
Councillor with no additional responsibilities	27,231
Councillor (minimum allowable remuneration)	19,553

*Featherston Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,222
Member	3,611

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*Greytown Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,222
Member	3,611

*Martinborough Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,222
Member	3,611

**Southland District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	139,906
Deputy Mayor	51,152
Councillor with no additional responsibilities	39,348
Councillor (minimum allowable remuneration)	31,599

*Ardlussa Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,306
Member	4,153

*Fiordland Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,212
Member	5,106

*Northern Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,031
Member	4,015

*Oraka Aparima Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,972
Member	4,486

*Oreti Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	11,560
Member	5,780

**Local Government Members (2024/25) Determination  
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*Stewart Island/Rakiura Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	4,440
Member	2,220

*Tuatapere Te Waewae Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	7,836
Member	3,918

*Waihopai Toetoe Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,884
Member	5,442

*Wallace Takitimu Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	9,538
Member	4,769

**Stratford District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	111,481
Deputy Mayor	33,615
Chairperson Stratford Sport NZ Rural Travel Fund	24,972
Chairperson Farm and Aerodrome Committee	27,613
Councillor with no additional responsibilities	24,012
Councillor (minimum allowable remuneration)	19,604

**Tararua District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	133,446
Deputy Mayor	55,075
Committee Chairperson (3)	50,485
Committee Deputy Chairperson/Liaison Councillors (5)	45,896
Councillor (minimum allowable remuneration)	37,177

*Dannevirke Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,938
Member	6,469

Schedule	<b>Local Government Members (2024/25) Determination 2024</b>
<i>Eketāhuna Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,385
Member	4,193
<b>Tasman District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	161,934
Deputy Mayor	63,283
Standing Committee Chair (3)	63,283
Councillor with no additional responsibilities	48,679
Councillor (minimum allowable remuneration)	41,414
<i>Golden Bay Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	14,545
Member	7,272
<i>Motueka Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,212
Member	8,106
<b>Taupo District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	148,400
Deputy Mayor	64,835
Chair—Emergency Management Committee	48,627
Chair—Kinloch Representative Group and Performance Monitoring Group	48,627
Chair—Taupō Reserves and Roding Committee	48,627
Chair—Mangakino-Pouakani Representative Group	44,574
Chair—Taupō East Rural Representative Group	44,574
Chair—Tongariro Representative Group	44,574
Councillor with no additional responsibilities	40,522
Councillor (minimum allowable remuneration)	40,442
<b>Tauranga City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	179,316
Councillor (minimum allowable remuneration)	87,695

**Local Government Members (2024/25) Determination  
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**Thames–Coromandel District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	146,412
Deputy Mayor	81,814
Councillor with no additional responsibilities	56,309
Councillor (minimum allowable remuneration)	43,893

*Coromandel–Colville Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	17,442
Member	8,721

*Mercury Bay Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	20,869
Member	10,434

*Tairua–Pāuanui Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	17,442
Member	8,721

*Thames Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	22,115
Member	11,058

*Whangamatā Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	19,000
Member	9,500

**Timaru District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	147,259
Deputy Mayor	75,590
Committee Chairperson (4)	61,417
Deputy Committee Chairperson (4)	54,331
Councillor (minimum allowable remuneration)	42,390

*Geraldine Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,218
Member	6,109

<b>Local Government Members (2024/25) Determination</b>	
Schedule	2024
<i>Pleasant Point Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	9,582
Member	4,791
<i>Temuka Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,459
Member	6,229
<b>Upper Hutt City Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	142,972
Deputy Mayor	64,967
Chair, Policy Committee	56,305
Chair, Finance and Performance	51,974
Chair, City Development	56,305
Chair, Risk and Assurance	51,974
Chair, Hutt Valley Services Committee	51,974
Councillor with no additional responsibilities	43,311
Councillor (minimum allowable remuneration)	38,111
<b>Waikato District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	162,849
Deputy Mayor	97,203
Infrastructure Committee Chair	83,318
Performance and Strategy Committee Chair	83,318
Sustainability and Wellbeing Committee Chair	83,318
Tai Runga Takiwaa Maaori Ward Councillor	63,877
Tai Raro Takiwaa Maaori Ward Councillor	63,877
Councillor with no additional responsibilities	55,546
Councillor (minimum allowable remuneration)	49,742
<i>Huntly Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	11,903
Member	5,951
<i>Ngāruawāhia Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,029
Member	6,015

**Local Government Members (2024/25) Determination  
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*Raglan Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,855
Member	5,428

*Rural–Port Waikato Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,256
Member	5,128

*Taupiri Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	4,762
Member	2,381

*Tuakau Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	11,631
Member	5,815

**Waimakariri District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	152,271
Deputy Mayor	71,940
Councillor with additional portfolio and chairing responsibilities (9)	55,983
Councillor (minimum allowable remuneration)	43,702

*Kaiapoi–Tuahiwi Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	19,402
Member	9,701

*Oxford–Ohoka Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	18,278
Member	9,139

*Rangiora–Ashley Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	25,027
Member	12,513

<b>Local Government Members (2024/25) Determination</b>	
Schedule	<b>2024</b>
<i>Woodend–Sefton Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	16,030
Member	8,015
<b>Waimate District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	108,161
Deputy Mayor	43,810
Councillor with no additional responsibilities	29,207
Councillor (minimum allowable remuneration)	21,436
<b>Waipa District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	150,770
Deputy Mayor (also Committee Chair)	69,308
Committee Chair and Deputy Chair (Quarterly Committee)	55,039
Committee Chair	53,000
Councillor appointed to Community Board (also Deputy Committee Chair) (2)	53,000
Councillor appointed to Community Board (2)	48,923
Deputy Committee Chair	44,846
Councillor with iwi portfolio responsibility	48,923
Deputy Committee Chair (Quarterly Committee)	42,807
Committee Chair (Quarterly Committee)	46,885
Councillor (minimum allowable remuneration)	37,884
<i>Cambridge Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	20,844
Member	10,422
<i>Te Awamutu Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	20,126
Member	10,063
<b>Wairoa District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	121,307
Deputy Mayor	79,816
Councillor with no additional responsibilities	53,212
Councillor (minimum allowable remuneration)	37,069



**Local Government Members (2024/25) Determination  
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**Waitaki District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	133,816
Deputy Mayor	54,024
Portfolio Leads (8)	43,036
Hearings Committee Chair	40,443
Councillor (minimum allowable remuneration)	31,903

*Ahuriri Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,919
Member	6,459

*Waihemo Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	13,417
Member	6,708

**Waitomo District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	120,143
Deputy Mayor	77,822
Councillor with no additional responsibilities	51,881
Councillor (minimum allowable remuneration)	37,754

**Wellington City Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	189,799
Deputy Mayor	131,336
Chair of Committee of the Whole (3)	120,666
Chair of Koata Hātepe   Regulatory Processes Committee	115,180
Councillor with no additional responsibilities	109,178
Councillor (minimum allowable remuneration)	93,185

*Mākara–Ōhāriu Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,465
Member	5,233

*Tawa Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	20,879
Member	10,439

Schedule	Local Government Members (2024/25) Determination 2024
<b>Western Bay of Plenty District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	151,057
Deputy Mayor	72,611
Committee Chairperson (3)	55,058
Councillor with no additional responsibilities	46,999
Councillor (minimum allowable remuneration)	38,980
<i>Katikati Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,218
Member	6,109
<i>Maketu Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	6,469
Member	3,234
<i>Ōmokoroa Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	8,866
Member	4,433
<i>Te Puke Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,218
Member	6,109
<i>Waihi Beach Community Board</i>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	10,061
Member	5,030
<b>Westland District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	109,065
Deputy Mayor	51,850
Councillor with no additional responsibilities	29,036
Councillor (minimum allowable remuneration)	21,681
<b>Whakatane District Council</b>	
<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	148,267
Deputy Mayor	74,615

<b>Local Government Members (2024/25) Determination 2024</b>		Schedule
<b>Office</b>		<b>Annual remuneration (\$)</b>
Committee Chair (5)		57,346
Deputy Chair		47,832
Councillor with no additional responsibilities		45,628
Councillor (minimum allowable remuneration)		38,965
<i>Murupara Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		8,866
Member		4,433
<i>Rangitāiki Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		11,500
Member		5,750
<i>Tāneatua Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		8,866
Member		4,433
<i>Whakatāne–Ōhope Community Board</i>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Chairperson		19,226
Member		9,613
<b>Whanganui District Council</b>		
<b>Office</b>		<b>Annual remuneration (\$)</b>
Mayor		155,178
Deputy Mayor and Town Centre Rejuvenation Advisory Group Chair		62,357
Strategy and Policy Committee Chair, Risk and Assurance Deputy Chair, and Safer Whanganui Advisory Group Chair		58,823
Council Controlled Organisations Committee Deputy Chair, Aspirations and Projects Chair, and Sustainability and Waste Advisory Group Chair		58,823
Operations and Performance Committee Chair and CEO Performance Review Committee Chair		58,823
Strategy and Policy Committee Deputy Co-Chair		43,649
Council Controlled Organisations Committee Chair		51,964
Operations and Performance Committee Deputy Chair		43,649
Sport, Recreation, and Wellbeing Advisory Group Chair and Community Funding Grants Advisory Group Chair		50,924
Strategy and Policy Committee Deputy Co-Chair and Youth Council		43,649
Councillor with no additional responsibilities		41,571
Councillor (minimum allowable remuneration)		38,093

Explanatory memorandum

**Local Government Members (2024/25) Determination  
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*Whanganui Rural Community Board*

<b>Office</b>	<b>Annual remuneration (\$)</b>
Chairperson	12,459
Member	6,229

**Whangarei District Council**

<b>Office</b>	<b>Annual remuneration (\$)</b>
Mayor	169,745
Deputy Mayor	94,611
Standing Committee Chair (5)	76,872
Standing Committee Deputy Chair (3)	70,958
Chair Civic Honours Committee	62,088
Councillor with no additional responsibilities	59,132
Councillor (minimum allowable remuneration)	55,842

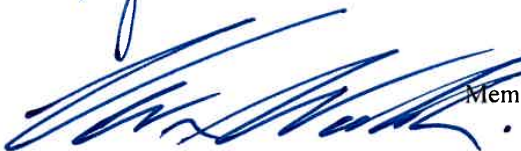
Dated at Wellington this *18<sup>th</sup>* day of *June* 2024.



Chairperson.



Member.



Member.

**Explanatory memorandum**

*This memorandum is not part of the determination but is intended to indicate its general effect.*

This determination comes into force on 1 July 2024 and expires at the close of 30 June 2025.

In March 2024, the Remuneration Authority (the **Authority**) sought the views of all local authorities on the matters that should be taken into account in making this determination. The Authority received a small number of submissions.

After considering the submissions received, and applying the mandatory criteria that the Authority must have regard to under clause 7 of Schedule 7 of the Local Government Act 2002 and sections 18 and 18A of the Remuneration Authority Act 1977, the Authority decided to (from 1 July 2024)—

**Local Government Members (2024/25) Determination  
2024**

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memorandum

- apply a 3.7% increase to the governance remuneration pools (*see* table set out below), which cover the councillors of each local authority:
- apply a 3.7% increase to the annual remuneration of most elected members of local authorities, local boards, and community boards:
- maintain the allowances and hearing fees covering the elected members of local authorities at the same levels as the last local government determination (*see* the Local Government Members (2023/24) Determination 2023):
- maintain the vehicle-kilometre allowance, which reflects the current rates prescribed by the Inland Revenue Department at the time that this determination was made. If those rates change during the 2024/25 year, the Authority will review the vehicle-kilometre allowance and any subsequent changes to the allowance will be made by way of an amendment determination.

*Governance remuneration pools*

The table below sets out the local government governance remuneration pools, which will apply on and after 1 July 2024, for the councillors of each local authority.

**Part 1**

**Remuneration pools for councillors of regional councils**

<b>Council</b>	<b>Governance remuneration pool (\$)</b>
Bay of Plenty Regional Council	901,313
Canterbury Regional Council	1,013,728
Hawke's Bay Regional Council	668,141
Manawatū–Whanganui Regional Council	715,764
Northland Regional Council	602,446
Otago Regional Council	762,059
Southland Regional Council	576,394
Taranaki Regional Council	491,118
Waikato Regional Council	968,297
Wellington Regional Council	982,263
West Coast Regional Council	342,210

**Part 2**

**Remuneration pools for councillors of territorial authorities**

<b>Territorial authority</b>	<b>Governance remuneration pool (\$)</b>
Ashburton District Council	466,852
Auckland Council	2,688,183
Buller District Council	336,305
Carterton District Council	235,156
Central Hawke's Bay District Council	363,530
Central Otago District Council	375,615
Chatham Islands Council	157,412
Christchurch City Council	1,970,300
Clutha District Council	404,849

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memorandum

**Local Government Members (2024/25) Determination  
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<b>Territorial authority</b>	<b>Governance remuneration pool (\$)</b>
Dunedin City Council	1,235,924
Far North District Council	923,093
Gisborne District Council	725,900
Gore District Council	307,614
Grey District Council	343,156
Hamilton City Council	1,333,962
Hastings District Council	903,533
Hauraki District Council	438,255
Horowhenua District Council	533,882
Hurunui District Council	316,301
Hutt City Council	934,953
Invercargill City Council	594,681
Kaikoura District Council	211,640
Kaipara District Council	473,099
Kapiti Coast District Council	566,170
Kawerau District Council	270,929
Mackenzie District Council	214,659
Manawatu District Council	462,064
Marlborough District Council	631,878
Masterton District Council	473,323
Matamata–Piako District Council	481,040
Napier City Council	831,709
Nelson City Council	631,878
New Plymouth District Council	901,525
Ōpōtiki District Council	324,473
Ōtorohanga District Council	272,613
Palmerston North City Council	897,022
Porirua City Council	615,184
Queenstown–Lakes District Council	551,892
Rangitikei District Council	374,916
Rotorua District Council	890,562
Ruapehu District Council	372,959
Selwyn District Council	575,971
South Taranaki District Council	522,778
South Waikato District Council	474,021
South Wairarapa District Council	255,100
Southland District Council	483,977
Stratford District Council	278,291
Tararua District Council	436,012
Tasman District Council	691,243
Taupo District Council	547,051
Tauranga City Council	1,242,581
Thames–Coromandel District Council	532,287
Timaru District Council	538,582

<b>Local Government Members (2024/25) Determination 2024</b>	Explanatory memorandum
<b>Territorial authority</b>	<b>Governance remuneration pool (\$)</b>
Upper Hutt City Council	506,747
Waikato District Council	863,732
Waimakariri District Council	575,791
Waimate District Council	248,258
Waipa District Council	564,653
Wairoa District Council	345,874
Waitaki District Council	438,751
Waitomo District Council	337,226
Wellington City Council	1,700,299
Western Bay of Plenty District Council	566,779
Westland District Council	255,102
Whakatane District Council	546,061
Whanganui District Council	597,375
Whangarei District Council	931,327

**Note:** The above remuneration pools do not apply to mayors, regional council chairpersons, Auckland local board members, or community board members.

However, if a council has delegated significant powers and functions to a community board and as a consequence proposes an increase to the remuneration of community board members, the additional funds will come out of the council's governance remuneration pool.

*Triennial review of framework for determining local government remuneration*

Because the triennial local elections will be held in 2025, the Authority will undertake, in the 2024/25 year, a full review of the framework for determining the remuneration, allowances, and hearing fees covering the elected members of local authorities, local boards, and community boards.

The outcomes of the full review will inform the determination that will take effect from 1 July 2025 and the governance remuneration pools, remuneration, allowances, and hearing fees that will take effect, and apply to all local government members, from the day after polling day for the 2025 local elections.

Issued under the authority of the Legislation Act 2019.  
Date of notification in *Gazette*:







**Date:** 6 August 2024

**Subject:** Remits for Local Government New Zealand Annual General Meeting 2024

**Author:** N Chadwick, Executive Assistant to the Chief Executive and Chair

**Approved by:** M J Nield, Director- Corporate Services

**Document:** 3287284

### Purpose

1. The purpose of this memorandum is to present the remits that are going to the upcoming Local Government New Zealand (LGNZ) Annual General Meeting (AGM). It asks that Council give consideration as to whether it wishes to give pre-AGM direction to the voting delegate about the Taranaki Regional Council's (TRC) support or otherwise of each of these remits.

### Executive summary

2. The LGNZ AGM is to be held at Tākina Wellington Convention and Exhibition Centre on Wednesday 21 August 2024.
3. At that meeting, consideration will be given to the 8 remits that have been submitted by local authorities. Each has received either formal support from councils, or support from at least one zone or sector group meeting prior to being submitted, and have been screened through the LGNZ Remits Screening Policy.
4. The TRC presiding delegate, Chair Charlotte Littlewood, will vote on the Council's behalf on each.
5. Deputy Chair Neil Walker will also be attending the AGM and will be listed as the alternate presiding delegate.

### Recommendations

That Taranaki Regional Council:

- a) receives this memorandum and the attached Local Government New Zealand Annual General Meeting Remits for 2024, noting that the Chair will vote on behalf of the Taranaki Regional Council.
- b) provides any guidance that it considers appropriate to the Chair as to its view on each of the remits

### Background

6. Usually the AGM is held wither prior to or immediately following the LGNZ conference.
7. LGNZ has a Remits Screening Policy which determines which remits, submitted by local authorities, will be considered at the LGNZ AGM. This year, 8 remits have been accepted for consideration and are attached.

## Discussion

8. Under LGNZ's constitution, Council is entitled to three votes at the AGM. The number of votes is determined by the membership fee, which reflects the size of the local authority based upon its population.
9. Chair Charlotte Littlewood will attend the AGM on behalf of Council as the Council's presiding delegate. Council is only entitled on one voting delegate who votes on behalf of Council with express authority on how to exercise the Council's votes during the AGM. As the Council's senior office holder, the Chair is the most appropriate delegate to attend.
10. If Chair Littlewood is unable to attend the AGM, for any reason, then Deputy Chair Neil Walker has been nominated as the alternate presiding delegate.
11. So that the Chair can represent the position of Council, consideration needs to be given to each remit, and a decision made for each on whether council supports the remit proposed. Council may decide that it does not have a position on a remit, and that the delegate may make a decision at the meeting following discussion on a particular matter.
12. During the AGM, councils that have submitted remits will speak to these, so delegates at the AGM may be in a more informed voting position than councilors are prior to the AGM.

## Financial considerations—LTP/Annual Plan

13. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

## Policy considerations

14. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

## Iwi considerations

15. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted Long-Term Plan and/or Annual Plan.

## Community considerations

16. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

## Legal considerations

17. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

## Appendices/Attachments

Document 3288391: [LGNZ 2024 Remits](#)



# 2024 Annual General Meeting

REMITTS



Please note that this document is not the full set of papers for this year's AGM. It just includes the remits going forward to the AGM so members can decide how they will vote on them. The full set of AGM papers will be shared no later than 10 working days before the AGM.



## Prioritising remits

Every year, LGNZ adopts new remits at the AGM. Each remit requires resourcing to deliver, and there is no limit to the number of remits that can be considered and passed. This means remits can create resourcing challenges, including conflict with agreed policy priorities.

LGNZ's National Council decided at its June meeting to ask the AGM to prioritise remits, to make it clearer where most resource should be directed. This will be a two-step process:

1. At the AGM, delegates will vote on remits as usual. Then, in a separate vote, they will rank successful remits in order of priority. This vote will be carried out electronically and result in a prioritised list of remits.
2. National Council will look at this prioritised list and allocate resource accordingly.
  - This will include determining where on the list the cutoff lies between a 'maximalist' and 'minimalist' approach. Depending on the nature of the remit, a 'maximalist' approach could include commissioning advice or research, or in-depth policy or advocacy work. A 'minimalist' approach could involve less resource, such as writing a letter to the relevant minister or agency.
  - Any support that proposing councils offer to deliver the remit will be considered in this decision making.

National Council will share its decision with councils, along with proposed actions.

Progress made against remits will continue to be reported in the four-monthly update to members.



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## // 01

### Representation reviews

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**Remit:** *That LGNZ advocate for changes that support the provision of timely and accurate regional and sub-regional population data to councils for use in council representation reviews.*

**Proposed by:** Waikato Regional Council

**Supported by:** Zone 2

#### **Why is this remit important?**

Because local democracy relies on accurate and up to date electoral population data to ensure fair and effective representation.

#### **Background and Context**

Census and local electoral cycles are not aligned which means that census data used to inform representation reviews can be up to six years old.

This remit is flexible enough to enable advocacy that takes into account a possible move to a four-year term and possible future shifts in the way the census may be conducted in the future, including a possible replacement by the use of administrative data.

#### **How does this remit relate to LGNZ's current work programme?**

This is a critical issue for local government as it goes to the very foundation of localism. Seeks advocacy in relation to a significant issue impacting local government.

This is not currently part of the current work programme but could be linked to the Electoral Reform Working Group's look at how to best implement a four-year term.

#### **How will the proposing council help LGNZ to make progress on this remit?**

Drafting submissions and attending meetings with Statistics New Zealand amongst other things.



## // 02

### Community Services Card

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**Remit:** *That LGNZ advocate to Central Government to amend the Health Entitlement Cards Regulations 1993 so that the cardholder can use the Community Services Card as evidence for the purposes of accessing Council services which would otherwise rely on a form of means testing.*

**Proposed by:** Palmerston North City Council

**Supported by:** Zone 3

#### Why is this remit important?

Councils are restricted from requesting a community services card as evidence of eligibility to access services. Instead Council must instead request a series of other documents from an individual to test eligibility. This creates obstacles for applicants and privacy and consistency concerns for councils.

#### Background and Context

The authorised uses of Community Services Cards are set out in the Health Entitlement Cards Regulations 1993 regulation 12 and restrict the purposes for which it can be used. The Regulations state that no person, other than an employee of the department or the Ministry of Health or a pharmacist or any person (other than the cardholder) mentioned in regulation 12(b) or (ba) shall demand or request a Community Services Card as a form of identification of the cardholder or as evidence that the cardholder is eligible for that Community Services Card.

People in receipt of a main benefit (e.g. Jobseeker Support, Sole Parent Support, Supported Living Payment) or receiving a Student Allowance automatically qualify for a Community Services Card. Otherwise people can apply for a Community Services Card and must meet qualifying criteria including:

- They are over 18 years of age (or over 16 years of age if enrolled in full-time tertiary study)
- They are living legally in New Zealand (or are applying for refugee status)
- They meet an income test.

Palmerston North City Council in seeking to determine a means of establishing eligibility for some council services, including social housing, found that the Community Services Card, based on its eligibility criteria, would appropriately identify eligible people. However, current regulations do not allow councils to ask if a person is a Community Services Card holder in order to establish eligibility for council services.

Cabinet has previously amended the Health Entitlement Cards Regulation 1993 and the Social Security Regulations 2018 to add public transport authorities to those able to request or demand to see a Community Services Card, and the combination SuperGold and Community Services Card, as evidence that the cardholder is eligible for public transport concessions.





### **How does this remit relate to LGNZ's current work programme?**

This remit could increase accessibility to local government services. It also comfortably sits within the principles of the Local Government Act 2002 in that it would give local government a tool to provide services more efficiently.

### **How will the proposing council help LGNZ to make progress on this remit?**

We can provide further legal background knowledge and research to date; and accompany LGNZ in any advocacy meetings with the Ministry or legislators.



## // 03

### Local government constituencies & wards should not be subject to referendum

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**Remit:** *That LGNZ lobbies central government to ensure that Māori wards and constituencies are treated the same as all other wards in that they should not be subject to a referendum. We oppose the idea that Māori wards should be singled out and forced to suffer a public referendum.*

**Proposed by:** Palmerston North City Council

**Supported by:** Zone 3, Te Pae Tawhiti (Horizons Region, Māori ward and constituency councillors)

#### Why is this remit important?

It is evident that the introduction of Māori wards and constituencies empowered more Māori to nominate, stand, vote, and participate in local government.

Legislative changes will only apply to Māori wards and constituencies but not all wards and constituencies. This shows a prejudice to Māori, a complete lack of fairness and will result in further disengagement of Māori in local government. It will see the demise of Māori representation and engagement in local government.

#### Background and Context

Māori wards and constituencies councillors serve on district, city and regional Councils in New Zealand and represent local ratepayers and constituents registered on the Māori parliamentary electoral roll. The purpose of Māori wards and constituencies is to ensure Māori are represented in local government decision making.

In February 2021, the Government made legislative changes which would uphold local council decisions to establish Māori wards and abolish the existing law which allowed local referendums to veto decisions by councils to establish Māori wards and Constituencies. The Local Electoral (Māori Wards and Māori Constituencies) Amendment Act 2021, eliminated mechanisms for holding referendums on the establishment of Māori wards and constituencies on local bodies.

Many councils took the opportunity to make decisions about establishing Māori wards and Constituencies after the law change and as a result, the 2022 local elections saw six of the eleven regional councils (54.5%) have Māori constituencies and 29 of the 67 territorial authorities (43.3%) have Māori ward/s. Horizons Regional Council, and all seven District Councils of this region, have Māori wards.

Following the changes in legislation, there was a significant increase in Māori representation. The 2022 Local Government election saw the highest number of Māori elected members in local government, growing from 5% to 22%.



### **How does this remit relate to LGNZ's current work programme?**

The proposed remit fits within LGNZ's stance that they too believe that Māori wards and constituencies should be treated the same as other wards in that they should not be subject to a referendum or if so, all wards should be subjected to the referendum.

Councils should be empowered to make decisions about the make-up of their representation through the Representation Review process.

### **How will the proposing council help LGNZ to make progress on this remit?**

Palmerston North City Council and Te Pae Tawhiti already made oral and written submissions to the Justice Select Committee in June.

We also encouraged LGNZ to lead out the letter from the mayors to key ministers in May.

We are keen to support ongoing messaging, noting this remit is submitted prior to the Parliamentary decision on the proposed legislation.



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29 May 2024

Members of the Justice Select Committee,  
**Re: Local Electoral Amendment Act 2024**

E ngā mana e ngā reo e ngā karangatanga maha, tēnā koutou katoa.

E te tēpū whakatau o ngā whakakaupapa hou mō 'Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill' Nei rā he mihi nui ki a koutou i āta whakaaro i āta whiriwhiri i ēnei kaupapa whakahirahira e pā ana ki ngā kaunihera o te motu. Ko mātou tēnei o Te Kaunihera o Papanui e mihi atu nei ki a koutou me te kaupapa e kawea nei e koutou. Kia kaha, kia māia kia manawanui. Anei o mātou ake whakaaro e pā ana. Nō reira tēnā koutou, tēnā koutou, tēnā tātou katoa.

Thank you for the opportunity to submit to the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill. We challenge the Select Committee to genuinely consider the feedback provided through this process. Councils do not want or need this change to occur. Our communities, and certainly Rangitāne o Manawatū our Treaty partner, are not asking for this.

Palmerston North is home to:

- near on 100,000 people of over 150 ethnicities
- one of the youngest populations with the highest number of PhDs per capita in the country

We proudly display:

- our city crest in our Council Chamber- one of we understand only four in the country which depict both Māori and Pākehā in the heraldry. Three being councils and the Crown you represent being the fourth.
- a statue of Te Peeti Te Awe Awe in the heart of our city- Te Marae o Hine The Square. Erected in 1906 jointly by city and Rangitāne leaders.

Our representation arrangements, most recently reviewed in 2021, are 1 mayor + 15 members: 2 Māori ward seats and 13 General ward seats, at-large across the city.

PNCC is committed to the principles of local government. Namely, as set out in the Local Government Act 2002 sections 4 and 81, which state we must  
*"... recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local*

*government decision-making processes... to facilitate participation by Māori in local authority decision-making processes.”*

and

*“establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and*

*consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority.”*

There are also other statutory obligations, most notably the Resource Management Act 1991, to account for the culture and traditions of Māori as it relates to the natural environment. Not to mention obligations under the Treaty of Waitangi and the Human Rights Act. These obligations alone do not adequately emphasise the foundational importance of councils’ partnership with Māori and the critical value that relationships with tangata whenua bring to local governance.

Councils have many strategic commitments that support the development of Māori capacity to participate more fully and effectively in the Council’s decision-making processes. We engage directly with tangata whenua as a part of our statutory responsibilities and as a means of giving expression to the Council’s commitment to bicultural development and responsiveness. A Māori ward is another expression of this.

PNCC is committed to its kawenata relationship with tangata whenua Rangitāne o Manawatū, who support a Māori ward for wider Māori voice at Council. In 2021 Rangitāne o Manawatū gifted names for the city-wide wards:

- Te Hirawanui General Ward: reflects the long history of partnership between the Council and Rangitāne in the founding of Palmerston North, most particularly recognising one of our Rangatira chief Te Hirawanui who coordinated and inter alia signed the deed for sale for Te Ahu a Turanga land block, of which Palmerston North became a part.
- Te Pūao Māori Ward: the heralding a new dawn, and the mouth of a river as it leads to the ocean, reminiscent of the words spoken by Rangitāne rangatira Tiweta and Mahuri to the Ngāti Upokoiri people when they invited them to take refuge in the Manawatū-- in other words signalling the opportunities to come from the Māori ward and the relationship between Māori and Local Government in the Manawatū and beyond.

On 1 May 2024, Council resolved to formally endorse this current representative structure.

PNCC wants to increase engagement with parts of the city’s community that have historically been representationally marginalised. A Māori ward ensures Māori voices will be represented at local decision-making tables. It is one tool to support democracy, which a council can use to best represent the communities it serves. Māori can stand in general wards, but the data tells us they haven’t been doing so, even in Palmerston North where STV voting and district-wide wards which should encourage diverse candidacy. Māori wards are one way to remove a structural obstacle to the choices of Māori voters. In our view, having Māori ward seats at councils to represent those on the Māori elector role is the equivalent of Māori seats in Parliament for Parliamentary elections. Participation literature repeatedly points to people being able ‘to see themselves’ in diverse candidates as a motivator for voting. Many councils chose to establish Māori wards for the 2022 elections. We then saw the highest number of Māori elected members in local government, growing from 5% to 22%, much more closely aligned to the population. It is evident the introduction of Māori wards and constituencies enabled through the 2021 legislative change empowered more Māori to nominate, stand, vote, and participate in local government.

In its report to the Māori Affairs Committee in February 2021 on the Local Electoral (Māori Wards and Māori Constituencies) Amendment Bill of the time, National Party members made their own statement, separate to the Committee report. The members noted (emphasis in bold below) that:

**Rushed legislation is not good legislation.**

We agree.

**The [prior] law requires that when a council proposes general wards it must publicly notify its proposals and call and hear submissions. These provisions do not apply to the creation of a Māori ward under this [previous] bill. If the Government genuinely wished to align the process it would require the same legal process for creating Māori wards as for general wards.**

We agree.

If Government wishes to treat Māori wards in the same way as general wards, it should seek to include Māori wards within the representation review process subject to community submissions and Local Government Commission review NOT reinstate a different process.

Representation issues are complex. They cannot be reduced to simple binary questions of yes or no. Palmerston North knows first-hand what division looks like when lobby groups from outside our community lead a poll demand.

If the Government's true intentions were to improve the representation arrangements for councils, rather than revert this legislation, they would be looking to improve it. For example, could the rules around population ratios be removed so that councils can be more responsive to the needs of their communities of interest and not limited by percentages and population ratios?

**"Our 78 local councils with their 1,600 elected members, are already obliged under legislation to have improving relationships with Māori and ensure proper engagement and involvement with Māori in decision-making. Local government and iwi/hapū take those responsibilities very seriously and in good faith. How they best meet their Treaty obligations should be up to them to decide. Local government and Māori are quite capable of doing that and achieving the outcome, without the central government deciding the means."**

We agree.

Local democracy is one of the two purposes of local government set out in section 10 of the Local Government Act,

*"The purpose of local government is—to enable democratic local decision-making and action by, and on behalf of, communities."*

Aotearoa New Zealand is a representative democracy. We elect leaders to lead. We understand well that as councillors we are democratically elected to make decisions on behalf of all of our communities, not just the majority. Local councils are well placed to make those decisions, because we consult our people and weigh up various viewpoints on an issue.

PNCC voted to establish a Māori ward for the City, in 2017 and again in 2021. Since then, every council in our Horizons region (8 councils) has established Māori wards or constituencies.

Why is the Government telling us we are not capable of making a decision we have already made twice, and must now be bound to the result of a referendum? New Zealand is a representative democracy. Referenda are usually used for consultative purposes on controversial issues. The 1993 electoral system referendum is the rare case of a binding referendum. None of the 5 citizen-initiated referenda held since 1994 have been actioned by Parliament. Why then impose a binding referendum

that allows people not directly affected by the result (ie. those not on the Māori electoral roll) to determine an outcome?

**“Not the most important local government issue at this time when Local government is struggling on several fronts. The sector is overwhelmed and facing the most significant period of change in 30 years, and there are more pressing issues to address at this time like infrastructure, housing, transport, water, resource management, consenting processes, climate change impacts, and poor customer experiences.”**

We agree. The costs of polls are another unfunded mandate on councils. We have more than enough to do without distractions of fixing something that is not broken; that is in fact working well. Having a Māori ward works extremely well for Palmerston North. Why is the central government now telling us to spend more ratepayer money and time on a referendum?

We ask that the Local Electoral Act provisions with regard to the establishment of Māori wards and constituencies not be changed.

Ngā mihi nui

Grant Smith JP  
MAYOR  
Palmerston North City Council

A handwritten signature in black ink, appearing to read 'Grant Smith', written over a large, stylized circular flourish.

29 May 2024

## **Submission of Te Pae Tāwhiti Rōpū**

### **To: Justice Committee regarding the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill**

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Te Pae Tāwhiti Rōpū is a rōpū (group) made up of Māori Ward Councillors from the Horizons Region.

The Horizons Region is the Manawatū-Whanganui area of the lower North Island. The region is made up of eight Councils:

- Horizons Regional Council
- Palmerston North City Council
- Manawatu District Council
- Ruapehu District Council
- Rangitikei District Council
- Horowhenua District Council
- Tararua District Council
- Whanganui District Council.

All of the Councils of the Horizons Region, except Whanganui District Council, established at least one Māori ward/constituency in 2021, in time for the 2022 local elections. In October 2023, Whanganui District Council voted to establish a Māori ward for the 2025 and 2028 elections.

This submission in opposition to the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill (Bill) is based on the views of Māori Ward Councillors who belong to Te Pae Tāwhiti Rōpū.

Although we are current Councillors, we make this submission not to advocate for our personal positions on Council but for the future preservation of Māori wards and constituencies, to ensure that Māori who choose to be on the Māori electoral role, continue to have the choice of Māori representation in local government.

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#### **Introduction**

We are Local Government elected members, elected to represent the best interests of Māori within our ward/constituency, and in addition we serve all constituents across the wider Districts and Region we represent. We provide a connection into Council and advocate for residents and ratepayers.

We believe that Māori have been under-represented in Local Government for far too long, and the establishment of Māori wards/constituencies at our Councils in 2021 have helped bridge this gap.



Since we were elected in 2022, we have striven to provide a voice, true representation and a Te Ao Māori view on our respective councils. We wish to emphasise that the decisions by our respective Councils to establish Māori wards/constituencies in 2021 each followed an extensive public consultation process, whereby all members of the community had an equal chance to be heard, and Councils openly debated and decided the issues.

Poll provisions, by contrast, are a “tool of the majority” and never favour minority groups such as Iwi Māori. This has been proven to be the case since 2001 under the previous Māori wards regime – with only two Councils being able to establish Māori wards prior to the 2021 Amendment Act (Waikato Regional Council in 2013 and Wairoa District Council in 2016). All 15 other initiatives to establish Māori wards were voted down by binding poll.

Bringing back the poll provisions will recreate a higher procedural standard for Māori wards than that of general or wards for “communities of interest” such as rural wards, for which Council decisions are democratically made in a representation review and cannot be subject to a binding poll. This is completely unfair and seeks to silence the voice of Māori. We believe that Māori wards and constituencies should be treated the same as all other wards and not be subject to poll provisions. Instead Local Government should be empowered to make its own decisions – not have the ability to do so taken away.

In this respect, we fully support the letter dated 20 May 2024 to the Government from the 52 Mayors and Chairs, LGNZ and Te Maruata, and agree that this legislation is a complete overreach on the Coalition Government’s part, on local decision-making.

Ultimately, given the track record of binding polls in the past, we believe the Bill will result in many Māori wards and constituencies across the country being disestablished. Not having a Māori ward or constituency will remove the option for Māori voters to choose whether to be represented by general or Māori ward councillor and we believe that any alternative mechanisms for Māori participation in Local Government would not be the same as having a dedicated seat at the decision-making table.

We fully support the Waitangi Tribunal Report dated 17 May, which found that this Bill will breach the Treaty of Waitangi and its principles, and recommended the Bill be paused for further policy development and consultation. The Tribunal findings also show that the Department of Internal Affairs advised the Minister of Local Government against this move, providing good rationale and that it is likely to breach Te Tiriti o Waitangi.

We do not agree with the Government putting its commitment to its Coalition agreement above Te Tiriti o Waitangi, and with the extremely rushed way in which the Coalition Government is progressing this change of legislation process, including only allowing 4 working days for a submission to be made.

#### **Māori Wards Contribution to Local Government**

##### **We are opposed to this Bill because it does not honour and respect the contribution of Māori Wards to Local Government.**

As Councillors of a Māori ward or constituency, we are honoured and privileged to represent Māori in our respective Councils. The participation of Māori representatives is crucial for fostering a more inclusive, equitable, and culturally responsive Council. It’s about having faces at the table that reflect their community and bringing our values, and lived and real perspectives to discussions and collective decision making.

Māori ward/constituency elected members bring valuable cultural knowledge and perspectives to Local Government, enhancing the cultural competence of Councils. This leads to:

- Better Decision-Making with diverse viewpoints contributing to robust and well-rounded policy decisions
- Cultural Responsiveness in policies and services that are more in line with to the needs and aspirations of Māori
- Social Cohesion which promotes mutual respect and understanding between Māori and non-Māori populations.

Inclusive governance that actively involves Māori can lead to improved outcomes across various sectors, such as:

- Environmental Stewardship with Māori often bringing a deeper understanding of and commitment to environmental sustainability, informed by traditional ecological knowledge
- Social Wellbeing where policies reflect Māori values and needs can contribute to healthier, more vibrant communities.

We wish to note that, while we have Councillor colleagues elected to general wards and constituencies who have whakapapa Māori, and they can also seek to bring their Māori-centric experiences to the Council table, those Councillors did not campaign to be (and may not want to be) a voice or representative for Māori on their Council. They are not and should not be expected to represent the voice of Māori in the way that we, as specifically-elected Māori Ward/Constituency Councillors, are.

### **Honouring Te Tiriti o Waitangi**

**We are opposed to this Bill because it does not honour Te Tiriti o Waitangi.**

Te Tiriti o Waitangi establishes a foundational relationship between Māori and the Crown, emphasising partnership, participation, and protection. The changes enacted by the Crown in 2021 have helped ensure Māori representation in Local Government aligns with the principles of Te Tiriti by:

- Partnership - facilitating collaborative decision-making processes that involve Māori perspectives
- Participation - encouraging active Māori involvement in governance, ensuring these voices and concerns are heard
- Protection - safeguarding Māori rights and interests, particularly in areas impacting our whenua, resources, and cultural heritage.

The participation of Māori Councillors is crucial for fostering a more inclusive, equitable, and culturally responsive governance structure.

We fully support the Waitangi Tribunal Report dated 17 May. Although the Tribunal was forced to draft the Report under intense time pressure due to the imminent introduction of the Māori Wards legislation into Parliament, the report findings are comprehensive and compelling. The Tribunal found that this Bill will breach the Treaty of Waitangi and its principles, and recommended the Bill be paused for further policy development and consultation.

### **Poll Provisions – not compatible with complex constitutional matters**

#### **We are opposed to this bill because binding polls are not fair in practice and not compatible with complex constitutional matters such as establishing Māori wards.**

The Waitangi Tribunal findings show that the Crown's own advisors on Local Government issues – the Department of Internal Affairs advised the Minister of Local Government against this move, providing good rationale and that it is likely to breach Te Tiriti o Waitangi.

Historically, providing poll provisions for Māori wards and constituencies did not deliver on the original policy intent which was to involve the community in decision making, and to support Māori communities by providing an avenue for them to demand that their Council holds a poll to establish Māori wards or constituencies.

The effects of poll provisions from 2002 to 2019 have proven to be an insurmountable barrier to establishing a Māori ward or constituency. From the 16 polls taken between 2022 and 2019 only one poll was successful (Wairoa District Council 2016). This was a Council initiated poll with 54% in favour and 46% against.

Instead of being a mechanism for community participation, they have deterred Councils and communities from proposing a Māori ward or constituency.

The Department of Internal Affairs, in advice to the Minister on this Bill, summed up the problems with poll provisions in that:

*Reinstating the polls will be unpopular with many in the local government sector and Māori communities;*

*Since the 2021 law changes, 46 local authorities have resolved to establish Māori wards. Our understanding is that many councils previously did not seriously consider establishing Māori wards. This was because of the perception that the polls could harm community relationships, including relationships with mana whenua, and undermine social cohesion.*

*We anticipate most of these councils will be very concerned about the re-introduction of the polls. It is likely to discourage any other councils considering establishing Māori wards in the future. The change is also likely to be very unpopular with Māori communities, especially where wards have been established.*

*Before the 2021 amendments, Local Government New Zealand (LGNZ) and Taituarā – Local Government Professionals advocated strongly to remove the polls. In a 2018 letter, LGNZ noted "It is imperative that the Government act to address the unfairness created by the poll provisions and put in place a legislative framework that will enable mature and constructive conversations about options for Māori representation in local authorities".*

*An LGNZ survey of elected members found that, after the 2022 local elections, about 21% of members identify as Māori or are of Māori descent. This is up from 14% in the 2019 survey.*

#### **We agree with this statement from the Department of Internal Affairs.**

Advice to Minister Brown from Department of Internal Affairs 5 December 2023:

*The polls proved to be an almost insurmountable barrier to establishing Māori wards. Only two councils were able to establish Māori wards using the Local Electoral Act process. When polls were held, community division and animosity was common. As a result many councils*

*opted not to even put the option on the table because of the risk of community conflict. Similarly, mana whenua sometimes asked councils not to consider Māori wards because of the risk of a backlash against their community. The poll provisions gave no scope for councils to balance minority interests in the final decision because the poll outcome was binding, based on a straight majority. Since the poll provisions were removed, 46 councils have resolved to establish Māori wards*

**We agree with this statement from Department of Internal Affairs.**

*The Waitangi Tribunal has observed that “Alternative mechanisms for Māori participation in local government are not the same as having a dedicated seat at the council table”. A Māori ward or constituency is the only mechanism that guarantees Māori representation on the body that makes the final decisions (for example committees of council cannot adopt a District Plan or Long-Term Plan).*

**We agree with this statement from Department of Internal Affairs citing the Waitangi Tribunal.**

The advice from the Department of Internal Affairs to Minister Brown was:

*“Referendums and polls are an instrument of majority rule which can suppress minority interests. Normal lawmaking process have safeguards to make sure minority rights and interests are considered – human rights legislation, parliamentary debates and the select committee process. But referendums do not require that tabling and balancing of interests, and the outcome will depend on the majority’s perception of the minority interests.”*

**We completely agree with this advice and believe that the Department of Internal Affairs summed this up perfectly. The issue of representation for Māori is complex and should be decided upon locally by Councils in consultation with Iwi / Māori and its communities, not by a simple ‘yes’ or ‘no’ poll.**

Further to this, the former LGNZ President Dave Cull summed up binding polls by saying:

*“Of equal concern, the polls reduce a complex issue to a simple binary choice, which, by encouraging people to take sides, damages race relations in our districts. Matters of representation and relationships should be addressed in a deliberative manner that employs balanced and considered dialogue – not by poll. In fact, a poll is not necessary. Should a council resolve to establish Māori wards or constituencies, or any other ward, against the wishes of its community then the community has the option to hold that council to account at the next election – this is how representative democracy is intended to work*

**Again, we agree with this statement and also believe that binding polls and poll provisions in general are divisive and do nothing to enhance relationships within communities. In fact, it will do quite the opposite.**

In summary, we are in opposition to the reinstatement of polls for Māori wards and constituencies and ask that this be relooked at and withdrawn.

If polls are to be implemented then we strongly urge the following to be implemented:

- That only those on the Māori roll vote in a poll. These are the only residents and ratepayers who will be affected by the outcome of the poll and therefore should have the most input into it.

- We ask that there is an increase in the petition threshold from 5% to 10% of electors to initiate a poll. Five per cent is a low threshold given the costs and impacts of polls on communities. It is therefore not unreasonable to expect a larger demonstration of a desire for a poll before undertaking one. A move to 10 per cent would align with the threshold set out in the Citizens Initiated Referenda Act 1993.
- We also recommend making the polls non-binding but require councils to give them due consideration in their decision making process. This would give the poll weight in the decision making process, but still enable these decisions to be made within the wider legal context and with due consideration of a range of relevant factors.

### **Cost to Ratepayers**

The significant cost to ratepayers is another reason we oppose this Bill.

This change in legislation could result in up to 45 councils being required to hold a poll on Māori wards and constituencies at the 2025 elections, with the outcome to take effect in 2028. This is dependent upon what is decided by August 2024 in terms of disestablish now or ride it out until a poll in 2025. Councils throughout the country have extremely tight budgets and will need to fund the extra cost for the poll, as well as an early representation review. Many Councils are in the process of reviewing their Long Term Plan with proposed rates increases the highest ever seen. This in the midst of a cost of living crisis that will constrain Council budgets further. The cost of a poll and representation review will be dependent on the size of the council and district/region with an estimate at around \$175,000 for a poll and potential costs of up to \$170,000 for a representation review. In addition, Council staff and resource will be required.

### **Timing of Poll Should it Proceed**

Finally, we are concerned at the timing of the proposed poll on Māori wards and constituencies. All Māori ward candidates will need to campaign for their seat, engage with Māori and participate in electioneering, while simultaneously convincing the community of the value of a Māori ward or constituency. This will be a huge undertaking and put potential Māori ward/constituency councillors to an unfair burden. The responsibility of educating the community on Māori wards will naturally fall to iwi to lead and coordinate without guaranteed resources or support.

### **Summary and Recommendation**

In summary, Māori should be fairly represented in local government. This Bill will likely result in the disestablishment of many Māori wards and constituencies across the country. Disestablishing Māori wards and constituencies, and making them subject to a higher procedural standard than that of general or rural ward is opposed by Te Pae Tāwhiti Rōpū.

We recommend that the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill not be progressed and that status quo remains.

Whilst we oppose the reintroduction of poll provisions for Māori wards and constituencies, should these be reintroduced, we recommend the following:

- Increase the petition threshold from five per cent to 10 per cent of electors to initiate a poll. Five per cent is too low a threshold given the costs and impacts of polls on communities.
- Only those registered on the Māori roll can vote on a Māori ward and constituency poll.
- Make the poll non-binding and require councils to give them due consideration.

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We would like the opportunity to speak in support of this submission.

*Parties to the submission:*

Roly Fitzgerald

**Te Pūao Māori Ward Councillor, Palmerston North City Council**

Korty Wilson

**Ruapehu Māori Ward Councillor, Ruapehu District Council**

Justin Tamihana

**Horowhenua Māori Ward Councillor, Horowhenua District Council**

Nina Hori Te Pa

**Horowhenua Māori Ward Councillor, Horowhenua District Council**

Coral Raukawa

**Tiikeitia ki Tai (Coastal) Ward Councillor, Rangitikei District Council**

Piki Te Ora Hiroa

**Tiikeitia ki Uta (Inland) Ward Councillor, Rangitikei District Council**

Bridget Bell

**Ngā Tapuae o Matangi Māori Ward Councillor, Manawatū District Council**

Fiona Kahukura Hadley-Chase

**Ruapehu Māori Ward Councillor, Ruapehu District Council**

Channey Iwikau

**Ruapehu Māori Ward Councillor, Ruapehu District Council**

Naioma Chase

**Tāmaki-nui-a-Rua Māori Ward Councillor, Tararua District Council**

Te Kenehi Teira

**Tonga Māori Councillor, Horizons Regional Council**

Turuhia (Jim) Edmonds

**Raki Māori Councillor, Horizons Regional Council**

*And from Horizons Regional Council:*

Wiremu Te Awe Awe

**Councillor, Horizons Regional Council.**



## // 04

### Entrenchment of Māori wards seats for local government

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**Remit:** *That LGNZ proactively promote and lobby to entrench the Māori Wards and Constituencies for the 64 councils which currently have these, to require the support of a supermajority of parliament should either parliament or councils seek their removal.*

**Proposed by:** Northland Regional Council

**Supported by:** LGNZ Zone 1 (Northland Regional Council, Far North District Council, Whangarei District Council)

#### Why is this remit important?

Zone 1 opposes the changes proposed to Māori wards and constituencies provisions in the Local Electoral Act 2001 (LEA), the Local Government Electoral Legislation Act 2023, and the Local Electoral Regulations 2001.

Zone 1 views are summarised below:

- a) Māori wards and constituencies are an appropriate and necessary way to deliver on Te Tiriti o Waitangi obligations — they are not a race-based selection.
- b) Reversion to a poll system to establish / retain Māori constituencies in local government is inconsistent with the national electoral system of a Māori roll and Māori seats in Parliament. There is no rational reason for the different approach.

#### Background and Context

The current government has agreed to amend the legislation and regulation related to the establishment and continuation of Māori wards in Aotearoa New Zealand.

The proposed changes have a major impact for the representation of Māori communities and the unique opportunities and challenges they face. It also compromises the ability of local government across the country to deliver on its Treaty of Waitangi obligations.

Zone 1 members do not support the proposed changes and have submitted their views as individual councils and the broader local government sector through LGNZ.

As discussions have developed on the proposed amendments, the need to align Māori ward representation models with parliamentary Māori electorate representation model has become evident.

#### How does this remit relate to LGNZ's current work programme?

This proposal aligns with LGNZ's policy that states:

- Remits must be relevant to local government as a whole rather than exclusively relevant to a single zone or sector group or an individual council;



- Remits should be of a major policy nature (constitutional and substantive policy) rather than matters that can be dealt with by administrative action.

In accordance with LGNZ's strategy, this proposal would strengthen local government as a whole to support our communities to thrive - environmentally, culturally, economically and socially.

### **How will the proposing council help LGNZ to make progress on this remit?**

Northland Regional Council, with the support of Far North District Council and Whangarei District Council, will advocate, lobby, and promote the cause and case for the entrenchment of Māori ward seats in local government governance structures.





## // 05

### Graduated driver licensing system

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**Remit:** *That LGNZ advocate for changes to the fee structure for driver licensing, better preparing young people for driver license testing, and greater testing capacity in key locations throughout New Zealand, in order to relieve pressure on the driver licensing system and ensure testing can be conducted in a quick and efficient manner.*

**Proposed by:** Ashburton District Council

**Supported by:** Hurunui District Council, Kaikōura District Council, Selwyn District Council, Timaru District Council, Waimakariri District Council and Waitaki District Council

#### Why is this remit important?

Communities across New Zealand are being impacted by excessive wait times associated with the graduated driver licensing system (GDLS). There are three stages to the GDLS, and those aged 16 or older can enter the system and undergo both theoretical and practical testing to graduate from a learner's license (accompanied driving) to a full license (license without restrictions) over the space of 24 months. Currently, across the country, demand for testing significantly exceeds testing capacity leading to negative implications for our young people, and the wider community. Action is required to ensure young people in our community can undertake testing without delay, failing to remedy this situation could result in:

- Reduced ability to access testing
- Increases in testing failure rates
- Social and economic disadvantages for young people

#### Background and Context

Work undertaken by Waka Kotahi and other agencies identified the need to remove barriers for young people associated with obtaining a driving license in New Zealand. Through this work, re-sit fees were identified as a potential barrier. According to Waka Kotahi data, only 53% of people on a restricted license pass their practical driving test first time around, meaning many young people trying to graduate were being financially burdened by subsequent fees in completing a re-sit.

From October 1 2023, Waka Kotahi introduced a revised fee structure for a learner's, restricted, or full license, which removed re-sit fees for drivers who failed a first or subsequent attempt. While this change makes graduation through the system more financially obtainable, it has put increased pressure on testing services as those who fail the first time are rebooking immediately. This, in combination with the shortage of assessors, is causing significant wait times across the country. The increase in wait times has multiple implications which are summarized below using national and local examples.

- **Reduced ability to access testing:** In 2020, the national average wait time to sit a restricted driving test was 16 days, this has dramatically increased to 53 days in 2023/24. Drivers in the Ashburton district are facing a 94-day delay in booking a restricted license test, with only one agent (VTNZ) being able to facilitate testing.



- Increases in testing failure rates: excessive wait times in Ashburton may be causing young people to book testing in alternative locations. According to information obtained during an Ashburton District Road Safety Co-ordinating Committee meeting, some young people from Ashburton and Timaru are travelling to the West Coast (3-5 hours away) to undertake practical testing, there is concern that completing a practical test on unfamiliar roads may lead to an increase in failure rates. Reports have also been made that the decision to remove re-sit fees has led to young drivers completing the test before they are ready, leading to multiple failed attempts.
- Social and economic disadvantages for young people: there are social and employability benefits to holding a driver's license. According to MBIE, two-thirds of all jobs advertised in New Zealand have a minimum requirement of a restricted license. The reduced ability for young people to obtain a restricted or full license may see otherwise suitably skilled candidates miss out on employment opportunities while they wait to sit and obtain the required license. This also has impacts for the community, in particular local businesses, who will potentially struggle to source young candidates for entry level roles. This is further amplified in our community where public transport is non-existent, with the only quasi-public transport available being the Mid Canterbury Connector – a locally led, volunteer driven service operating on a booked return trip service between rural communities.

Relevant legislation, policy or practice

- Land Transport Act 1998 (part 4)
- Land Transport (Driver Licensing and Driver Testing Fees) Regulations 1999.
- NZTA driving licensing fees schedule

### **How does this remit relate to LGNZ's current work programme?**

While this is not currently part of LGNZ's work programme, engaging with central government will be essential to making progress in this area. Ensuring that the local voice is heard and understood by central agencies is the only way in which this issue will be able to be addressed. Given the impact on our young people, and the subsequent effects this has on their ability to gain independence and contribute to our communities and local economies, we believe this is a worthy project for LGNZ to drive on behalf of the sector.

### **How will the proposing council help LGNZ to make progress on this remit?**

While changing the fee structure will help incentivise people to pass their tests on their first attempt, other changes should be made to better prepare people, particularly young people, who are trying to obtain a driver licence, and ensure there is sufficient capacity in the system.

Ashburton District Council is willing to trial/pilot the practical applications of an improved graduated driver's licensing scheme.

Our Mayors Taskforce for Jobs programme has been highly successful, working with community groups and schools to identify people who are disadvantaged in the labour market. A significant proportion of this group are seeking drivers' licences in order to improve their chances of employment. There is an opportunity to align the Mayors Taskforce for Jobs programme with an enhancement of an Ashburton based training and accreditation centre, leveraging the MTFJ programme's experience in driver licensing schemes. The goal of this would be to better prepare



young people for driver licence tests and reduce the pressure on the system imposed by people having to re-sit tests.

Ashburton District Council also proposes a pilot scheme to work with government to attract, train and supply increased numbers of examiners for the Ashburton district along with other centres throughout the country. Ashburton district would become a training region; prospective examiners would be based in the region while they train and qualify before returning to their respective regions to fill gaps and boost capability. Our region is well suited to examiner development, being close to Christchurch but more affordable and having a network of urban and rural roads.

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## Hon Simeon Brown

Minister for Energy  
Minister of Local Government  
Minister of Transport  
Minister for Auckland  
Deputy Leader of the House



James Meager MP  
Member of Parliament for Rangitata  
Parliament Buildings  
**WELLINGTON**

**24 MAY 2024**

Dear James

Thank you for your letter of 2 May 2024 regarding the driving licence processing delays in the Rangitata electorate. I share the frustration being experienced by people wanting to engage driver licence services only to be met with significant delays.

The Automobile Association (AA) and Vehicle Testing New Zealand (VTNZ) have been providing regulatory services on behalf of the NZ Transport Agency (NZTA) since 1999.

NZTA advises me that since the previous government's decision last year to remove the re-sit fee for theory and practical tests there has been a significant increase in demand for testing services, leading to unacceptable delays.

The inability to engage driver licence services in a timely manner is having an impact on the employability of learners and delaying their progression into the community.

NZTA and VTNZ are currently taking measures to accommodate the current high demand by re-prioritising driver testing officers to driver licencing agent sites with high booking numbers and increasing site opening hours. NZTA is aware of the urgency and my expectation that the issues be addressed promptly.

These delays across New Zealand, which follow the previous government's changes to re-sit fees, are unacceptable. I remain very concerned about these delays and am currently considering advice on options to address it, which may include reinstating a re-sit fee.

Regarding your request that NZTA remove the age limit for booking drivers licence tests, I have been advised that it is a legal requirement for applicants of driver licences to be 16 years or older.

Thank you again for writing.

Yours sincerely

A handwritten signature in blue ink that reads 'Si-B' followed by a horizontal line.

Hon Simeon Brown  
**Minister of Transport**



## // 06

# Proactive lever to mitigate the deterioration of unoccupied buildings

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**Remit:** *That LGNZ advocate to Government:*

- *For legislative change enabling local authorities to compel building owners to remediate unoccupied derelict buildings and sites that have deteriorated to a state where they negatively impact the amenity of the surrounding area.*
- *To incentivise repurposing vacant buildings to meet region-specific needs, for example, accommodation conversion.*

**Proposed by:** Gisborne District Council

**Supported by:** Rotorua Lakes Council, South Wairarapa District Council, Wairoa District Council, New Plymouth District Council, Napier City Council, Rangitikei District Council, Whanganui District Council, Dunedin City Council

## Why is this remit important?

There is no legislation enabling councils to take proactive action on the decaying condition of vacant buildings. Intervention is only possible when buildings become so dangerous that the Building Act 2004 (BA04) allows for dangerous building notices.

The absence of enabling regulations and enforcement tools can result in derelict sites negatively affecting both neighbourhoods and city centres. The public expects their local authorities to maintain community standards and they are frequently disappointed by our inability to intervene. Especially where keystone buildings deteriorate over decades.

The economic and social consequences of unoccupied derelict buildings negatively affect local businesses, city centre revitalisation, regional economic development, and tourism activity. Negative impacts suppress local investment and the prosperity of regional centres throughout New Zealand. Legislative change to enable the remediation of decaying building conditions and unlock their economic potential is in the national interest and significant to local government as a whole.

## Background and Context

### Existing building legislation is too late to mitigate decaying buildings

Once a Code Compliance Certificate has been issued, there is no regulatory avenue for proactive remediation of a vacant building's decaying condition. The BA04 is silent on maintenance responsibilities until the public is likely to be harmed by unsafe building conditions.

The BA04's approach to dangerous buildings is reactive as it seeks only to remediate dangerous conditions. The impact of a deteriorating building on its surrounding environment is not taken into consideration.

Waiting until a building becomes dangerous is too late to remediate the significant economic and social effects of vacant and deteriorating buildings.



In regional centres like Gisborne, a small number of deteriorating assets can have a significant impact on surrounding businesses and perceptions of the city centre. Long-term underinvestment means significant capital is required to restore these buildings before prospective owners and/or tenants can reoccupy the space. Investment is often cost-prohibitive, leaving vital buildings empty and further deteriorating.

In May 2024, Gisborne's Mayor wrote to Government detailing the national impact of this legislative gap (letter attached). The letter's appendix, *Ten years of the National Problem*, outlines how problematic buildings are challenging local authorities throughout New Zealand.

### **Local authorities have developed ad hoc, imperfect solutions to address the legislative gap**

Upper Hutt City Council's Unoccupied Commercial Premises Bylaw and Clutha District Council's Regulatory Bylaw both aim to prevent building deterioration. However, bylaw solutions are unenforceable without costly prosecutions that risk uncertain outcomes.

In Rotorua, where houses are problematic, rather than commercial buildings, Rotorua District Council has spent \$60,000 on consultants' reports and legal advice for a single abandoned property because it lacks the authority to require its demolition.

The BA04 seeks to ensure safety and well-being, sustainable development, and building code compliance. However, because it does not provide local authorities with effective tools to encourage essential maintenance and building utilisation, we have no way to intervene when buildings are deteriorating until the problems are significant, sometimes beyond repair.

Wellington City Council recently signaled its intention to remove ten buildings from its heritage list as part of a district plan review. Among those buildings were the dangerous, unoccupied Gordon Wilson Flats, a contentious feature of the Wellington skyline intended for demolition by their owner, Victoria University, due to restoration cost.

List removal failed to secure ministerial approval. However, this situation illustrates the impossible predicament faced by local authorities when heritage buildings have not been adequately maintained, and the extraordinary measures they must take when buildings have deteriorated beyond repair. Local authorities' inability to prevent the deterioration of vital assets threatens a loss of national heritage and identity through demolition. The solution must be to enable proactive measures addressing deteriorating conditions before buildings are demolished by neglect.

### **Mitigating the social and economic consequences of underutilised buildings urgently requires:**

- A new legislative lever that will enable earlier intervention and action to remediate deteriorating building assets and or
- Collaboration between local and central government and regional providers to develop region-specific incentives encouraging the use of unproductive assets, e.g., repurposing buildings for accommodation.

### **How does this remit relate to LGNZ's current work programme?**

Addressing the gap in building legislation and its consequences for regional economic development does not currently feature in LGNZ's broader advocacy work programme. However, LGNZ has for some time been aware of the legislative gap and advocated on this issue as it aligns with their strategic priority of focusing advocacy on the big issues impacting local government.



In 2014, LGNZ wrote to the Minister of Building and Construction suggesting the BA04 define derelict sites, which would allow for such properties to be included in their Dangerous and Insanitary Buildings Policies. LGNZ's 2015 submission to the Rules Reduction Taskforce highlighted that derelict building issues are a regular source of community distress, presenting risks to health, fire hazards, and sites for criminal behaviour. In 2022, LGNZ again proposed that the government define derelict buildings; however, attempts to meet the Minister of Building and Construction were unsuccessful.

While these efforts failed to find favour, advocacy to political leaders is urgently required because:

- Current BA04 considerations are inadequate in addressing building issues that need to be remediated before buildings become derelict.
- The Government's accelerated review of building code requirements extends to improving economic activity.
- The Government has signalled its intention to develop housing improvement strategies through a cross-government Ministerial Working Group on Housing.
- Legislative change and incentives to activate unproductive buildings and unlock regional economic improvement align with the Coalition's Decision-Making Principles A – E.

### **How will the proposing council help LGNZ to make progress on this remit?**

Gisborne District Council will:

- Continue advocating directly to the Ministers for Building and Construction, Housing and Local Government.
- Collaborate with LGNZ, councils, Government and stakeholders to develop new legislative tools to tackle this issue, strengthening our national economic resilience.
- Share any appropriate research and development, and data analysis from our region.
- Undertake any pilot programme involving temporary rule changes or funding initiatives, such as incentivising the conversion of commercial buildings to housing.
- Identify and work with local providers and property owners on the implementation of any pilot.

2 May 2024

Hon Chris Penk - Minister for Building and Construction  
Hon Chris Bishop - Minister for Housing  
Hon Tama Potaka - Associate Minister Social Housing  
Hon Simeon Brown - Minister Local Government



**GISBORNE**  
DISTRICT COUNCIL  
Office of the Mayor

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## **LEGISLATIVE CHANGE IS REQUIRED TO UNLOCK SUBSTANTIAL ECONOMIC AND HOUSING IMPROVEMENTS IN NEW ZEALAND'S REGIONAL CENTRE**

Good morning Ministers,

I would like to bring to your attention a gap in current building legislation, which is affecting local businesses, city centre revitalisation, regional economic development and tourism activity in our region.

**In short, there is no enabling legislation that allows regulatory agencies to take proactive action on the decaying condition of vacant buildings.**

Intervention is only possible when buildings become so dangerous that the Building Act 2004 allows for dangerous building notices. The absence of enabling regulations and enforcement tools, results in keystone buildings remaining idle and unproductive, sometimes for decades.

The attachments to this letter provide more information on the challenges facing Gisborne District Council and many other local authorities across New Zealand.

**Legislative change to unlock the economic potential of underutilised and decaying buildings is in the national interest because the negative economic and social impacts created by underutilised buildings are nationally significant.**

Unproductive buildings negatively impact regional prosperity throughout the country. We believe:

- New legislative tools are needed to unlock the economic potential of underutilised buildings.
- Urgent collaboration between local and central government is needed to develop a solution that will enable earlier intervention and action on commercial building issues.

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- Activating unproductive buildings to support regional economic development is strongly aligned with the Government's Ongoing Decision-Making Principles A – E.

As this matter is significant for local government as a whole, Council will be putting forward a remit on this matter at the upcoming LGNZ Annual General Meeting.

We look forward to working with the Government to develop new legislative tools to enable us to tackle this issue and continue to strengthen our national economic resilience.

Warm regards,

A handwritten signature in black ink, appearing to read 'R Stoltz', with a horizontal line underneath.

**Rehette Stoltz**  
Mayor Gisborne District Council

**Attachments:**

Attachment 1 – Gisborne's Deteriorating Buildings

Attachment 2 – Problem definition: Current legislation is too late to mitigate decaying buildings

Attachment 3 – Ten Years of the National Problem

Attachment 4 – Seized buildings in Gisborne

**Attachment 1 – Gisborne's Deteriorating Buildings**

*Main Street retail space. Corner Gladstone Rd and Peel St*



*Former Westlake Hotel. Corner Gladstone Rd and Peel St*



*Premium retail space. Peel St*



*Deteriorating building. Lowe St*



Main Street retail space. Gladstone Rd



Deteriorating building. Childers Rd



Masonic Hotel decaying façade. Lowe St



Masonic Hotel frontage. Gladstone Rd



Abandoned detritus. Adjacent to Masonic Hotel



Main Street building decay. Gladstone Rd



**Attachment 2: Problem definition: Current legislation is too late to mitigate decaying buildings**

During deliberations on the Gisborne Dangerous, Affected and Insanitary Buildings Policy 2024<sup>1</sup> under the Building Act 2004 (the BA04), Gisborne District Council (Council) identified inadequacies in the existing building legislation framework. Also identified were the negative impacts these deficiencies are having both regionally and nationally.

**Once a code compliance certificate (CCC) has been issued, there is no enabling legislation that allows regulatory agencies to take proactive action on the decaying condition of vacant buildings. Mitigation of problematic buildings is only possible when they eventually deteriorate to a condition so dangerous that BA04 provisions allow for dangerous building notices. The absence of enabling regulations and enforcement tools, in between CCC and dangerous building notices, results in essential buildings remaining idle and unproductive, sometimes for decades.**

**The BA04's approach to dangerous buildings is reactive. It seeks only to remediate dangerous conditions and does not consider the impact a decaying building has on its surrounding environment. This means it is both too late to remediate problematic conditions and an inadequate tool to address the significant economic effects caused when buildings become locked in a deterioration spiral. In Gisborne's case, deteriorating conditions negatively impact surrounding businesses and perceptions of the city centre, affecting a decline in economic activity. As regional economies underpin national economic prosperity,<sup>2</sup> the negative impact of underutilised buildings has a ripple effect on the national economy.**

As a building's condition declines, the required investment in its essential maintenance and works (e.g. earthquake strengthening and cosmetic upkeep) decreases. The deteriorating condition of commercial buildings is particularly problematic in regional city centres, as this inefficient use of key placemaking assets contributes to poor amenity.

In regional centres, where the *heart of the city* is comprised of only a handful of buildings, even a small number of deteriorating assets can have a significant impact. A prolonged lack of maintenance requires significant investment to get a building back up to scratch before prospective owners and/or tenants can once again operate out of it. The required work is often cost-prohibitive, and vital buildings can remain empty, which leads to further deterioration.

The BA04 seeks to ensure safety and well-being, sustainable development, and building code compliance. However, because the current BA04 legislation does not provide local authorities with effective tools to encourage essential maintenance and building utilisation, we have no way to intervene when buildings are deteriorating until the problem is significant. We can only intervene when buildings have decayed to such a condition that they are likely to harm the public.

The public expects their local authorities to prevent city centre building deterioration, and they are frequently disappointed by our inability to intervene. Regional communities such as Gisborne, where the problem is acutely felt, are unable to prevent the gradual decline of their city centres. Without a legislative tool enabling the remediation of inactive buildings, and no central Government solution either, Council cannot achieve its aspiration of maintaining a

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<sup>1</sup> Gisborne Dangerous, Affected and Insanitary Buildings [Policy](#) 2024.

<sup>2</sup> Hon Steven Joyce (2016) *Regions lead recovery from Global Financial Crisis*. This Beehive [Release](#) emphasises the instrumental role regional economies, including Gisborne, played in leading New Zealand's economic recovery from the Global Financial Crisis.

high-quality urban environment that capitalises on heritage, tourism, and lifestyle to attract economic investment and development.

### The Problem in Gisborne

Gisborne's Central Business District (CBD) contains several **vacant** and **underutilised buildings** that have been **neglected for long periods**.<sup>3</sup> Their deteriorating aesthetic condition **negatively affects the city's appearance, impacting tourism experiences** and **suppressing local utilisation, economic growth**, and community wellbeing.

**Deterioration of Buildings:** A lack of basic maintenance has led to the disrepair of unoccupied buildings in Gisborne. This includes premium ground-floor retail spaces on Gladstone Road, Gisborne's main street (see [Attachment1 – Gisborne's Deteriorating Buildings](#)).

**Negative Community Impact:** Reduced vibrancy in the CBD has suppressed community utilisation and local commerce,<sup>4</sup> making it less attractive to new businesses and shoppers. This decline in activity fosters increased incidences of vandalism and the impression of an unsafe CBD.

**Homelessness Consequences:** The declining condition of city buildings leads to squatters occupying vacant buildings, resulting in litter, sanitation issues, and antisocial behaviour adversely affecting adjacent businesses, some of which are rate-paying owner-occupiers. Council increasingly incurs the financial burden of cleanup and the disassembly of homeless encampments in conjunction with the Police.

**Economic Investment Deterrence:** Visible city centre decline creates the perception of an economically depressed area and discourages economic investment from outside the region, weakening local economic resilience. Decreased revenue from idled assets reduces the likelihood that owners of earthquake-prone buildings will fund reinforcement works, threatening key buildings with demolition.

**Suppressed Tourism and Economic Growth:** Tourism, a vital part of Gisborne's economy, is growing slower than the national average,<sup>5</sup> limiting regional employment opportunities. The declining state of Gisborne's CBD negatively impacts tourists' experiences in our region, which challenges the Government's recent commitment to support tourism.<sup>6</sup> A vibrant and welcoming city centre is essential for creating positive visitor experiences, as it influences overall impressions of a place.<sup>7</sup> However, buildings becoming locked into a spiral of declining

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<sup>3</sup> In June 2007, Gisborne witnessed a 1.3% decline in retail sales despite national economic growth accelerating to 2.6%. In the same period. The number of commercial permits issued in Gisborne also fell by 13%. In December 2008, Gisborne experienced the largest quarterly decline in retail sales at a time when national retail sales were trending upward. Commercial building consents dropped by 6.1% in the same quarter. Sources: The National Bank Regional Trends Economics reports, February 2007, February 2008. In the wake of the global financial crisis, Council's 2010/11 Annual [Report](#) identified Gisborne's retailers among those most affected by economic conditions at the time.

<sup>4</sup> Over 55% of Gisborne employment is currently located outside of land zoned for business.

<sup>5</sup> The tourism sector contributed \$56.3 million to Gisborne GDP in 2022, accounting for 2.3% of the region's economic output and 7.1% of total annual employment. In 2022, total tourism spending in Gisborne was down 0.1% year on year, while national tourism spending increased by 1.4% in the same period. In the 10-year period 2012-2022, Gisborne has experienced only 1.8% annual employment growth, lagging 2.1% national growth. Sources: Trust Tairāwhiti (2023) [Draft Destination Management Plan](#) utilising data retrieved from Infometrics.co.nz; Infometrics (2023) *Tairāwhiti at a Glance: 2022* retrieved from Infometrics.co.nz on 7 March 2023.

<sup>6</sup> Acknowledging tourism is the second biggest contributor to New Zealand's recent economy, the Tourism Minister, Hon. Matt Doocey, recently affirmed government commitment to supporting the growth of tourism and hospitality operators. Source: Hon Matt Doocey (2024) *Tourism data shows determination of sector*. Beehive [Release](#).

<sup>7</sup> The Ministry of Business, Innovation and Employment [Destination Management Guidance](#) emphasises that supporting infrastructure and amenities are essential to cultivating compelling visitor experiences.

investment and physical deterioration presents a significant barrier to regional aspirations for a vibrant, thriving city that is a destination for business, employment, and tourism.

*Figure 1 - the old Masonic Hotel greets cruise-ship tourists walking from Gisborne's port to the city centre.*



## The Problem nationwide

Gisborne is not the only region with declining, under-utilised buildings. Provincial areas are experiencing a downward spiral in the status of city centre vitality when compared to major urban areas.<sup>8</sup> Unoccupied buildings are contributing to this decline. They pose safety risks and affect community well-being, property values, and public perception of city centres around the country.

[Attachment 3 – Ten Years of the National Problem](#) outlines how issues with idle, unproductive buildings have become a nationwide concern in the last decade. Neglected heritage buildings face significant challenges as councils struggle to intervene where *demolition by neglect*<sup>9</sup> becomes irreversible. The lack of clear criteria for identifying and addressing derelict properties hinders councils' ability to take proactive measures to remediate these buildings as they deteriorate.

## Legislative Inadequacies Prevent a Proactive Approach

### 1. Building Maintenance Responsibility

- After local authorities have issued code compliance certificates and no further building work is required, building maintenance is the responsibility of property owners.
- Local authorities have no means to enforce minimum maintenance standards for dormant or underutilised buildings, even in cases where buildings are left to decay.
- The absence of any tool to encourage proactive maintenance means local authorities can be left with unsightly buildings, often in prominent locations. This creates a cycle of declining investment that negatively impacts regional prosperity.
- Gisborne has five large, central buildings locked in an ongoing legal dispute between the Police and silent offshore owners. This contested ownership status prevents building remediation, even under dangerous building notices, as no party assumes responsibility for remediating the unsafe conditions.

### 2. The Building Act 2004 Does Not Adequately Consider Remediation

- The BA04 enables local authorities to compel remediation via dangerous or insanitary building notices only when building issues become so dangerous, they may harm occupants or the public.
- These notices are a last resort. They cannot address situations where buildings essential to a city's social, cultural and economic fabric decay due to neglect. This is because the BA04 does not consider the negative consequences experienced during a building's decline when its conditions are deteriorating but not yet dangerous.
- Councils can intervene when there is evidence of infestation or fire risk; however, the threshold for action is high.<sup>10</sup>

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<sup>8</sup> Aigwi, I., et al. (2019). *A performance-based framework to prioritise underutilised historical buildings for adaptive reuse interventions in New Zealand*. *Sustainable Cities and Society*, [48](#), 101547-101547.

<sup>9</sup> Dunedin City Council defines *demolition by neglect* as a building being allowed to deteriorate to the point that demolition becomes necessary, or restoration becomes economically unreasonable. In some cases, building owners may allow this to happen to bypass heritage protections and the substantial financial investment to enable ongoing use. Source: Dunedin City Council's 15 May 2023 [Agenda](#).

<sup>10</sup> [Newshub](#). (2022). Call for law change as councils say there is an increasing problem of derelict, unoccupied houses.



- Neglected heritage buildings are particularly vulnerable to becoming dangerous and, in instances of continued neglect, demolition.<sup>11</sup> Heritage New Zealand Pouhere Taonga recently requested Council policy<sup>12</sup> encourage heritage building owners to undertake preventative maintenance and upgrades to conserve their essential heritage character. However, BA04 considerations do not provide any mechanism for local authorities to encourage such action. Therefore, any suggestion or encouragement of proactive maintenance via a dangerous building policy would be unenforceable under the current BA04 considerations.
- In cases where heritage buildings have been neglected, the costs associated with restoration or repurposing can be prohibitive for building owners. Lotteries funding is not always readily available<sup>13</sup> and heritage funding prioritises category-one buildings. Not all vital buildings are so categorised, and few buildings in Gisborne meet eligibility requirements.

### **Solution needed: Legislative Change**

Activating unproductive buildings to unlock regional economic improvements aligns with the Coalition's Decision-Making Principles A – E:

- **Principled** decisions based on sound policy principles and economic efficiency;
- **Focused** on improving productivity and economic growth to increase prosperity, and enhance housing affordability, efficiency and effectiveness.
- Stopping interventions that aren't delivering **Results**.
- **People-focused** public services will be designed around the needs of public and tourist users. The Government will be **accountable** for clear public service targets and regular progress reporting on these objectives.

Proactive remediation measures do not sit comfortably within the BA04 framework because it was not designed to address the problem of inactive buildings and the associated economic consequences. Fixing the problem requires:

- a lever compelling proactive remediation of deteriorating city centre assets and or
- incentivising the utilisation of unproductive assets.

Examples of proactive legislative tools for unlocking the potential of unproductive buildings can be found in both the United Kingdom and the Republic of Ireland.

### **United Kingdom's Town and Country Planning Act 1990**

The UK mitigates unproductive buildings via Section 215,<sup>14</sup> which enables Local Planning Authorities to:

- take proactive steps towards sustainable regeneration of local areas, including conditions that adversely affect the amenity of the surrounding area
- consider local circumstances, such as site conditions and impact on the surroundings
- require a broad scope of works, including painting, external repairs, demolition and re-building

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<sup>11</sup> The Ministry of Culture and Heritage identified late requests to 'save' buildings are commonly requested at the last possible moment due to communities not seeking remediation until a building is under threat of demolition. Source: Ministry for Culture and Heritage. (2018). *Strengthening protections for heritage buildings: [Report](#) identifying issues within New Zealand's heritage protection system.*

<sup>12</sup> HNZPT (2023) [submission](#) (Page 51) on the Gisborne District Council Dangerous Buildings Policy 2024.

<sup>13</sup> Lottery Environment and Heritage Committee year on year funding [declined](#) by 46% in the 2023/24 financial year.

<sup>14</sup> Town and Country Planning Act 1990 Section 215 [Best Practice Guidance](#) and [Act](#).

- use Section 215 notices in conjunction with other powers, such as repair notices for heritage-listed or dangerous buildings.

'Amenity' is a broad concept not formally defined in the legislation. This means assessment is a matter of degree. A clear and well-presented case that stresses the adverse impact of the site on the local street scene has proven more effective than a technical definition of 'loss of amenity'.

### **The Republic of Ireland Derelict Sites Act 1990**

Ireland mitigates unproductive buildings with the Derelict Sites Act,<sup>15</sup> which defines *derelict sites* and makes local authorities responsible for dealing with them. Derelict sites are defined as detracting from the amenity, character or appearance of the neighbourhood with:

- structures in a ruinous, derelict or dangerous condition
- land or structure condition that is neglected, unsightly or objectionable
- deposits or collections of litter, rubbish, debris, or waste.

Under the legislation, local authorities can mitigate problems by:

- prosecuting owners who do not comply with notices
- making compulsory land purchases
- carrying out necessary work and recovering cost.

### **Proactive Measures to Mitigate Inactivity would not conflict with the New Zealand Bill of Rights 1990 (BORA)**

BORA protects human rights and fundamental freedoms; however, it does not provide for a general right to privacy or property enjoyment. BORA protections are subject to reasonable limitations where they are demonstrably justifiable in a free and democratic society.<sup>16</sup> Indeed, the Justice Minister, Hon Paul Goldsmith, has indicated the government wishes to strike an appropriate balance between individual rights and the public interest.<sup>17</sup>

Therefore, it is reasonable to expect that the public interest should be safeguarded from neglected buildings and the significant negative impacts they have on our communities' life, livelihood, and economic output.

The [New Zealand Bill of Rights \(Right to Lawfully Acquired Property\) Amendment Bill](#) (introduced into Parliament on 27 July 2023) proposes reasonable compensation for property owners when deprived of the right to own and use lawfully acquired property. Enabling local authorities to encourage and or incentivise remediation or utilisation of vacant buildings would not conflict with this amendment, should it become law.

### **Alignment with improving housing availability**

The Minister of Housing, Hon Chris Bishop, seeks to fix the housing crisis by increasing supply through the removal of barriers to construction. The Minister's recent Cabinet Briefing Paper *Fixing the housing crisis*<sup>18</sup> outlines a programme to lift productivity, wages and ultimately national income by unleashing urban growth. The briefing paper identifies that:

- New Zealand's houses are among the world's least affordable due to persistent undersupply
- unaffordable housing has far-reaching social and economic consequences.

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<sup>15</sup> Republic of Ireland Derelict Sites [Act](#) 1990.

<sup>16</sup> New Zealand Bill of Rights Act 1990, [Section 5: Justified limitations](#)

<sup>17</sup> [RNZ](#) (2024) Bill of Rights won't stop gang patch ban - Justice Minister

<sup>18</sup> [Hon Chris Bishop \(2024\) Fixing the Housing Crisis Cabinet Paper.](#)

- increasing housing supply and lowering housing costs will improve the living standards of all New Zealanders and lift productivity and wages by allowing more workers to live and work in cities.

Council agrees with the Minister’s assessment that fixing the housing crisis will involve collaborative actions across Government and by different Ministers.

**Gisborne is currently experiencing a critical housing shortage while city centre buildings deteriorate due to a lack of investment. There is an opportunity for the Government to address the housing shortage by incentivising building owners to repurpose buildings for accommodation before they decay beyond repair.**

As an example, in 2017, the city of Vancouver introduced an [empty homes tax](#). Which currently charges owners three per cent of a property’s value if it remains unoccupied for more than six months. Since inception, the number of vacant properties in Vancouver has decreased by 54% and CAD\$142 million has been raised for the city’s housing initiatives.<sup>19</sup>

Figure 2 - Trends in Vancouver’s Declared Vacant Properties 2017 – 2022. Source: City of Vancouver



<sup>19</sup> Housing Vancouver. (2023). Empty Homes Tax Annual [Report](#) 2023. City of Vancouver.

### Attachment 3 – Ten Years of the National Problem

**27 February 2013:** Upper Hutt City Council adopted an Unoccupied Commercial Premises [Bylaw](#) that aims to prevent unoccupied commercial premises from falling into disrepair by setting standards for the maintenance of unoccupied commercial premises. By requiring commercial premises be maintained to an immediately tenantable standard, the bylaw attempts to address issues such as rubbish, boarded windows, vermin and overgrown foliage. However, at best, this is a half-measure because it does not address utilisation and investment issues, which are the underlying cause of cosmetic conditions.

A fundamental problem with use of bylaws is unless new regulation enables fines, enforcement requires a prosecution. This would be cost-prohibitive with no guarantee of success or remediation of problematic conditions. This would waste a lot of time and resources that ratepayers expect to be well-utilised elsewhere.

**2014:** Following discussion with a number of councils, including discussion at an LGNZ Rural and Provincial Sector meeting, LGNZ wrote to the Minister of Building and Construction asking that the Government provide councils with powers to deal with problems created by derelict buildings to combat demolition by neglect. Specifically: "That a definition for derelict sites and homes be developed and included in the Building Act. This would enable Territorial Authorities to include such properties in their Dangerous and Insanitary Buildings Policy and update their procedures to respond in a timely and cost-effective manner to the needs of their community." However, as [reported](#) in Dunedin City Council's 15 May 2023 Agenda, the MBIE response was this was not a priority at the time.

**22 April 2014:** South Wairarapa District Council identified derelict commercial [buildings](#) as a problem that did not qualify as dangerous or unsanitary. The inability to take proactive remediation action has resulted in a perception of Featherston's town centre as unattractive and run-down.

**4 May 2015:** LGNZ's [submission](#) to the Rules Reduction Taskforce highlights that councils regularly face derelict building issues with requests for action coming from many sources, including neighbours and health officials. Buildings in serious disrepair cause neighbours distress, are a risk to health, a potential fire hazard, and are sites for criminal activity. However, councils have limited powers to remediate derelict properties. Over a period of five years, Rotorua District Council has spent more than \$60,000 on consultants' reports and legal advice for a single abandoned property because they lack the authority to require its demolition.

**1 August 2016:** The Christchurch City Development Forum, made up of city councillors and the business community, [urged](#) Christchurch City Council to develop an incentivisation policy to encourage owners to develop their derelict sites. Frustrating city revitalisation efforts are buildings that remain in limbo due to unresolved intentions or insurance disputes. High-profile heritage buildings are also part of the concern. However, despite derelict buildings being dangerous, unsanitary and an eyesore the city council had limited powers to deal with them.

**21 October 2016:** Stuff.co.nz reporting [highlights](#) that shuttered, deteriorating buildings are frustrating towns around the country, with Councils in these towns having found there is virtually nothing they can do legally about it. South Wairarapa District Council found that despite complaints that problematic buildings were holding the town back, there was no effective legal remedy. While the council can take the owners of these buildings to court under the Resource Management Act for loss of amenity, it is a subjective rather than objective issue, making it challenging to win in court. Additionally, even if they did win, taking someone to the Environment Court is expensive, with potential costs ranging from \$60,000 to \$100,000. Enforcement remains difficult even after winning a case. In Rotorua, the problem is with houses

rather than commercial buildings, but the issue remains the same. Derelict sites have potential fire risks, and the impact of these structures negatively impacts the value of surrounding properties. These abandoned buildings are eyesores; however, what is considered offensive is debatable under the law.

**19 May 2017:** Christchurch City Council outlines their [plan](#) for tracking derelict CBD sites they consider a barrier to the regeneration of the city centre. The plan of action seeks to address concerns about the sites, to improve investor confidence and to create a more positive impression of the central city. The third and final phase of their plan (to be used only as a last resort) involves joint action by agencies with enforcement and land acquisition powers. *\*This plan illustrates the problem: without legislative change, local authorities cannot prevent buildings from deteriorating to such a condition that outside agencies are required to facilitate collaborative solutions.*

**16 June 2021:** In the wake of a derelict house fire that destroyed a neighbouring house and damaged two others in Wellington, experts [question](#) why only a limited number of buildings meet strict criteria for dangerous or insanitary criteria. Otago University housing expert researcher Dr Lucy Telfar-Barnard said the bar was set too high for a dangerous or insanitary building. Regarding derelict houses, Victoria University Professor of Building Science Robyn Phipps says: "It's a ticking time bomb."

**23 April 2022:** Local authorities called for a change in the law to address the problem of derelict and unoccupied houses. In Whanganui, absentee owners are responsible for 10% of the derelict CBD buildings, committing to *demolition by neglect*. Litigating problem buildings is cost-prohibitive, and the bar is extremely high. Councils are completely powerless if a building simply looks terrible. As a result, LGNZ has [proposed](#) that the government define derelict buildings so that action can be taken. Stuart Crosby, LGNZ president, has highlighted that this problem is growing and needs to be addressed.

**12 May 2022:** Clutha District Council [identified](#) that its staff do not currently have the necessary tools to deal with abandoned buildings that become a target for vandals or unsightly in a town's main shopping street or issues of excessive waste and vegetation growth on private property.

**May 2022:** Dunedin City Council reports\* that In May 2022, another attempt by LGNZ to meet the Minister of Building and Construction regarding derelict sites was unsuccessful. \*Recounted in Dunedin City Council's 15 May 2023 [Agenda](#).

**February 2023:** As part of its submission to the Environment Select Committee on the Natural and Built Environment Bill and Spatial Planning Bill, DCC requested\* the inclusion of "provisions in the NBEA to explicitly enable the management of neglected heritage buildings where a lack of maintenance is having an adverse effect on the structural stability, weather tightness, or long-term retention of a scheduled heritage building (aka demolition by neglect). This is urgently necessary for DCC (and other territorial authorities) to take actions to save heritage buildings where neglect has not yet progressed to a point of no return". \*Reported in Dunedin City Council's 15 May 2023 [Agenda](#).

**15 May 2023:** Dunedin City Council (DCC) [identifies](#) that demolition by neglect is an issue in cities across New Zealand, yet is not regulated nor specifically referred to in either the Resource Management Act 1991, the Building Act 2004 or the Local Government Act 2002. DCC reports demolition by neglect is an issue for historic buildings that require significant investment to enable ongoing use. DCC asserts that, in the absence of legislative change, incentivisation is required to help motivate building owners to maintain buildings.

**9 August 2023:** The Press [reports](#) that the absence of legislation dealing with derelict properties has resulted in a derelict Christchurch property that, despite significant decay, does not meet the threshold for action.

**6 September 2023:** Considering lower rates for businesses and higher rates for vacant land, Wellington City Councillors express [frustration](#) with the inability of local authorities to target underutilised land due to it being too difficult to define: "It's deeply frustrating ... we can't make people do more with their land."

**8 February 2024:** Homeless persons squatting in a derelict building near Point Chevalier's town centre raise well-being and safety [concerns](#). Local businesses report daily harassment from intoxicated individuals and an increase in shoplifting, which they attribute to the squatters.

**8 April 2024:** Wellington City Council aims to remove ten buildings from the heritage list as part of its district plan review, utilising a 2012 amendment to the Resource Management Act (RMA) amendment aimed at ensuring more housing intensification in the country's largest cities. Among the ten buildings are the dangerous, unoccupied Gordon Wilson Flats. Considered unsafe due to potential earthquake and wind damage and empty since 2012, the flats have become a contentious feature of the Wellington skyline.

This move by Wellington City Council illustrates the extraordinary measures local authorities must take when buildings have deteriorated beyond repair resulting in a loss of national heritage and identity. The solution must be to enable proactive measures that address deteriorating conditions before buildings reach this level of decay.

#### **Attachment 4 - Seized buildings in Gisborne**

For almost a decade, five prominent Gisborne buildings have been the subject of an ongoing legal dispute between the Police and silent offshore owners. One of these buildings is Gisborne's finest, the heritage-listed [Masonic Hotel](#), and another features prominently in the Gisborne skyline (Figures 13 and 14, overleaf).

In 2016, Singaporean national Thomas Cheng was arrested in Gisborne for the importation and supply of methamphetamine. The Police subsequently obtained restraining orders over six commercial properties in Gisborne as part of a wider investigation into alleged tax evasion and money laundering by Cheng's father, William Cheng, and stepmother Nyioh Chew Hong, who live in Singapore.

An investigation into the "complex" ownership structure of the buildings saw restraining orders placed on associated bank accounts along with nine other buildings across Whanganui, Te Puke, Pahiatua, Timaru, and Gisborne. In 2020, the Police applied for the forfeiture of these buildings and associated bank accounts. The courts have recently declared the buildings to be beyond the reach of the drug investigation. However, legal proceedings continue to restrain the buildings.

In 2023, the Wellington High Court [ruled](#) that Cheng Jnr does not hold an interest in or have effective control of Cheng Snr's property. Therefore, the properties are not subject to forfeiture relating to Cheng Jnr's drug crimes. However, as the Police have appealed the ruling, the buildings remain in limbo, further complicated by possible [tax-evasion and money laundering](#) by Cheng Snr and Ms Hong.

Council has found it impossible to address building issues via Cheng Snr's New Zealand representatives. Cheng Snr is likely reluctant to undertake works without knowing what percentage of the buildings he will retain. The Police will not do anything as they are temporary custodians ill-equipped to deal with building remediation and unsure what percentage of the buildings they will retain.

This contested ownership status prevents building remediation, even under dangerous building notices, as no party assumes responsibility for remediating the unsafe conditions. Council has issued one seized building with a dangerous building notice; however, as ownership is contested, mitigation of dangerous conditions is not easily progressed. The restrained buildings, including the Masonic Hotel, continue to decline but are a long way from becoming Dangerous. Continued attempts by Council to engage building owners have met with little success.

Seized building: Gisborne's Masonic Hotel (now closed) prior to its decline. 46 Gladstone Rd



Seized building (left). 200 Gladstone Road.







## // 07

### Appropriate funding models for central government initiatives

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**Remit:** *That LGNZ proactively promote and lobby for the development of a more equitable and appropriate funding model for central government initiatives.*

**Proposed by:** Northland Regional Council

**Supported by:** Zone 1 (Northland Regional Council, Far North District Council, Whangarei District Council).

#### Why is this remit important?

The constant reprioritisation of funding has a major impact on the ability of local government to provide quality infrastructure and services to the communities they are legally obliged to serve.

The development of a more equitable and appropriate funding model for central government initiatives would mitigate the risks and challenges the current funding model creates.

#### Background and Context

The reprioritisation of spending from community needs and services, to the implementation of central government policy and regulation, continues to be a major challenge for many councils.

Experience to date has shown that the current funding model needs to be reviewed and improved, to better reflect the community and operational realities of local government.

Zone 1 members firmly believe that central government should fully fund initiatives they wish to implement, or provide funding to local government in situations where they are required to implement a central government initiative.

#### How does this remit relate to LGNZ's current work programme?

This proposal aligns with LGNZ's policy that states:

- Remits must be relevant to local government as a whole rather than exclusively relevant to a single zone or sector group or an individual council;
- Remits should be of a major policy nature (constitutional and substantive policy) rather than matters that can be dealt with by administrative action.

In accordance with LGNZ's strategy, this proposal would strengthen local government as a whole to support our communities to thrive – environmentally, culturally, economically and socially.



**How will the proposing council help LGNZ to make progress on this remit?**

Northland Regional Council, with the support of Far North District Council and Whangarei District Council, will advocate the case for the development of an improved equitable funding model for central government initiatives.



## // 08

### **Goods and services tax (GST) revenue sharing with local government**

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**Remit:** *That LGNZ be proactive in lobbying central government on sharing GST revenue with local government, derived from local government rates and service fees related to flood protection mitigation, roading, and three waters, for investment in these areas.*

**Proposed by:** Northland Regional Council

**Supported by:** LGNZ Zone 1 (Northland Regional Council, Far North District Council, Whangarei District Council).

#### **Why is this remit important?**

Local government faces funding and resourcing challenges due to current funding models. The sharing of GST revenue derived from local government rates and service fees related to flood protection, roading, and three waters, would allow for increased spending and investment in these areas.

#### **Background and Context**

S&P Global Ratings note that local government rates have not increased, as a percentage of the economy, in the past 100 years – compared with central government taxation which has gone up 200% in the same period.

This funding gap presents many challenges for local government and its ability to provide infrastructure and services to its communities.

Member councils of Zone 1 have not lobbied central government individually to date. However, there was full support for the position of LGNZ given on the matter on 27 February 2024.

This proposal seeks to elevate the matter and make it a high priority for LGNZ to lobby, with a view to achieve, the diversion of GST revenue for localised investment in flood protection mitigation, roading, three waters, and the related capital expenditure and debt servicing.

#### **How does this remit relate to LGNZ's current work programme?**

This proposal aligns with LGNZ's policy that states:

- Remits must be relevant to local government as a whole rather than exclusively relevant to a single zone or sector group or an individual council;
- Remits should be of a major policy nature (constitutional and substantive policy) rather than matters that can be dealt with by administrative action.

In accordance with LGNZ's strategy, this proposal would strengthen local government as a whole to support our communities to thrive – environmentally, culturally, economically and socially.



**How will the proposing council help LGNZ to make progress on this remit?**

Northland Regional Council, with the support of Far North District Council and Whangarei District Council, will advocate, lobby, and promote the case for the sharing of GST revenue with local government from the areas noted in this proposal.



**Date:** 6 August 2024

**Subject:** Taranaki Māori Constituency – Poll Requirement

**Author:** N Chadwick, Executive Assistant to the Chief Executive and Chair

**Approved by:** S J Ruru, Chief Executive

**Document:** 3285650

### Purpose

1. The purpose of this memorandum is to seek a decision on whether to disestablish the Taranaki Māori Constituency prior to the 2025 election or to put the matter to referendum for the community to make a decision through a binding poll in accordance with the new legislative requirements following passage of the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act 2024.

### Executive summary

2. In 2021, Council decided to establish the Taranaki Māori constituency following community consultation on the matter.
3. In May 2024, the Minister for Local Government announced changes to the Local Electoral Act 2001, which formed part of the coalition agreement, with the intent of introducing legislative provisions allowing for binding polls on the establishment of Māori constituencies along with transitional arrangements for those councils that resolved to establish a Māori constituency in 2020 and beyond without holding a poll.
4. The Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act 2024 (the Act) requires Council to make a decision to either disestablish the Taranaki Māori constituency before 6 September 2024 or to put the matter to the community for consideration in the form of a binding poll or referendum as part of the 2025 elections. The two options available under the legislative amendment are narrow in their scope and the timeframe within which a decision needs to be made means that it is impractical to consult with the community in a structured way.
5. This report recommends adopting the option to hold a poll in conjunction with the 2022 elections. This option is consistent with the current Council policy and would provide an opportunity for the community to have a level of input to the decision that would not be possible if the decision was made to disestablish the Maori constituency ahead of the 2025 elections.

### Recommendations

That Taranaki Regional Council:

- a) receives this memorandum titled Taranaki Māori Constituency – Poll Requirement

- b) agrees that it will undertake a referendum on whether to retain a Taranaki Maori Constituency alongside the 2025 local body elections
- c) notes that Council will be bound to abide by the outcome of this poll for the 2028 and 2031 triennial elections
- d) determines that this decision be recognised as not significant in terms of section 76 of the Local Government Act 2002
- e) determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determines that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

## Background

6. In August 2020, the Council considered the issue of Māori constituencies for the 2022 local authority elections. At that time, the Council resolved to not introduce a Māori constituency and not to undertake a representation review.
7. In 2021, the Government enacted the Local Electoral (Māori Wards and Constituencies) Amendment Act 2021 which aligned the treatment of Māori constituencies with general constituencies and removed all mechanisms for binding polls to be held on the establishment of Māori Constituencies.
8. In February 2021, the Council established its preferred position in support of the creation of a Māori constituency for the 2022 local government elections. It then undertook consultation from 1 March to 19 March 2021 on the matter and received 383 submissions. 211 were in support of establishing a Māori constituency.
9. There were a number of common themes presented by both sides of the argument. Those supporting the creation of a Māori Constituency argued that:
  - the decision is consistent with the obligations of the Local Government Act 2002 to provide opportunities for Māori to contribute to decision making
  - the decision is consistent with the obligations of the Treaty of Waitangi - Te Tiriti o Waitangi
  - having a diverse body of councillors brings richer knowledge, robust debate, broader perspective and better decision making
  - Māori have been poorly served by local authorities
  - Māori have been under represented in both central and local government
  - New Plymouth and South Taranaki district councils have decided to create Māori wards
  - it's the right thing to do
  - it's democratic.
10. Those against the creation of a Māori constituency argued that:
  - electors have already spoken against a Māori constituency through the poll in the New Plymouth District Council area
  - the decisions by regional council should be guided directly by all Iwi not by one elected councillor who may not respect their views
  - Māori can be elected onto the Regional Council like anyone else
  - everyone should be treated as equal - a separate Māori constituency is racist
  - the decision to create a Māori constituency will divide the community
  - it's the wrong thing to do
  - it's undemocratic.

11. A report on Establishing a Māori Constituency was considered on 6 April 2021, along with a hearing of submitters. Following consideration of the submissions received the Council resolved to create a Māori constituency for the 2022 local authority elections, resulting in the establishment of the Taranaki Māori Constituency.

## Issues

12. This agenda item allows for consideration and decision on whether to disestablish the Taranaki Māori Constituency prior to the 2025 election or to put the matter to referendum for the community to make a decision through a binding poll. This reflects the legislative obligation imposed on Council via the recent amendment to the Local Electoral Act 2001.
13. This agenda item does not consider matters relating to number of members, the number of constituencies, the boundaries of constituencies nor the population or electoral population of constituencies. These matters would need to be addressed via a representation review process.

## Discussion

14. In May 2024, the Minister for Local Government announced changes to the Local Electoral Act 2001 to introduce legislative provisions allowing for binding polls on the establishment of Māori constituencies along with transitional arrangements for those councils that resolved to establish a Māori constituency in 2020 and beyond without holding a poll.
15. The changes reflect the provisions in the coalition agreement to restore the right to local referendum on the establishment or ongoing use of Māori constituencies, including requiring referendum on any constituencies established without referendum at the next Local Body elections.
16. Council needs to comply with the new transitional arrangements which require it to either:
  - Resolve to disestablish the Taranaki Māori constituency prior to 6 September 2024; or
  - Hold a binding poll alongside the 2025 local elections, which will enable to community to have their say on the matter.
17. Under the original proposed legislation changes, if Council were to decide to disestablish or rescind the Taranaki Māori constituency, transitional arrangements would apply, these include:
  - Undertaking a representation review prior to April 2025;
  - Reverting to previous representation arrangements that existed prior to the Taranaki Māori constituency being established; or
  - Retaining the current representation arrangements excluding the Taranaki Māori Constituency.
18. The Department of Internal Affairs have advised that Council will not be able to revert to its pre-2020 representation arrangements as three (North Taranaki, Stratford and South Taranaki) constituencies would be non-complaint under clause 15 of the Act.
19. The key requirements of clause 15 are:
  - 2023 population estimates have been applied to representation arrangements that applied at the 2019 election
  - The arrangements continue to provide for fair and effective representation
  - Where the Commission previously upheld an exception to the +/-10% rule, that exception continues to apply only to those specific wards, constituencies or subdivision that were non-compliant at the time that the Commission approved the exemption. This means that, if a ward, constituency, or subdivision was compliant when the pre-2020 arrangements were determined but is not compliant when 2023 population estimates are applied, the council may not revert to its pre-2020 arrangements and must carry out a shortened representation review.
20. To resolve this, Council will need to conduct a shortened representation review.

21. If Council decide to disestablish the constituency, it is bound to that position for the next two triennial elections.
22. If Council choose to hold a poll alongside the 2025 local body elections, the result of the poll will take effect at the 2028 elections and bind Council to that position for the following two triennial elections.
23. An initial indication of costs associated with undertaking a poll alongside the 2025 local body elections has been provided by our Electoral Officer, Dale Ofsoske. This is estimated to be twelve (12) cents per elector which equates to \$10,451 (based on the 2022 total number of electors reported to this Council in the Electoral Officer's 2022 Triennial Election report).

## Options

24. Option one is to disestablish the Taranaki Māori Constituency prior to the 2025 elections. This decision would apply for the 2025 and 2028 elections and would create a requirement for a shortened representation review process to be completed by April 2025.
25. An advantage of this option is that it would avoid the matter going to a referendum and the associated costs (estimated at 12 cents per elector or \$10,451) of doing so. There would, however, be additional costs associated with the requirement to complete a new representation process prior to April 2025. The costs associated with completing this process are unbudgeted.
26. A decision to disestablish does not align with the community feedback received in 2021 on this specific matter nor the position adopted by Council earlier this year in its submission of the amendment legislation. As such it would represent a change from the current Council policy position of some significance.
27. It could also negatively impact the Council's relationships with iwi and hapū as the establishment of the constituency was initially done with their support and they have also indicated that they do not support the changes made to the Local Electoral Act 2001.
28. Option two is to undertake a referendum or binding poll alongside the 2025 local body elections. It allows for direct community involvement and will also allow for a more considered community education and discussion process in regard to the relative merits of the different options ahead of the poll being held. This is the preferred option. It is noted that this option carries associated costs including those associated with holding a referendum.
29. Selecting option two would also reduce the risk of negatively impacting Council's relationships with iwi and hapū. While it is acknowledged that Council cannot control the outcome of the poll, this option maintains mana between both partners.

## Significance

30. In terms of the Significance and Engagement Policy, the decision is assessed as being of some significance but not meeting the threshold to be seen as significant. It is required due to a legislative change and while it will lead to a change to the way in which some sections of the community are represented all sections of the community will continue to have access to elected councilors.

## Financial considerations—LTP/Annual Plan

31. The Long Term Plan was adopted on the assumption that Council continues to have the Taranaki Māori constituency. The costs associated with holding a referendum and/or completing a representation review process would be funded from within existing governance budgets. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.



### **Policy considerations**

32. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

### **Iwi considerations**

33. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted Long-Term Plan and/or Annual Plan.
34. During the initial consultation on the establishment of a Māori constituency, the iwi authorities and Māori across the region provided submissions expressing strong support for the establishment of a Māori constituency. It is understood that they continue to hold this view today and would support Council retaining the Taranaki Māori constituency.

### **Community considerations**

35. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

36. Under the amendments made to the Local Electoral Act 2001, Council is required to make a decision before 6 September 2024 as to whether it wishes to retain or disestablish the Taranaki Maori Constituency.
37. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 3295575: [Final Report \(Final report \(Local Government \(Electoral Legislation and Māori Wards and Māori Constituencies\) Amendment Bill\)\)](#)

Document 2732151: [Establishing a Māori Constituency](#)

## **Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill**

Government Bill

As reported from the Justice Committee

### **Commentary**

#### **Recommendation**

The Justice Committee has examined the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill and recommends by majority that it be passed. We recommend all amendments by majority.

#### **About the bill as introduced**

The bill aims to enable local electors to take part in their local elections and decisions about their council’s representation. It would amend the Local Electoral Act 2001, the Local Government Electoral Legislation Act 2023, and the Local Electoral Regulations 2001.

Section 19Z of the Local Electoral Act provides that councils may resolve to establish Māori wards or Māori constituencies.<sup>1</sup> Before March 2021, councils were required to hold a binding poll about the establishment if a petition of at least 5 percent of people on the council’s electoral roll requested it. Councils could also initiate polls. The result of the poll was binding on a council for 2 local government terms. The Local Electoral (Māori Wards and Māori Constituencies) Amendment Act 2021 removed the ability to hold binding polls. The bill would:

- reinstate polls for Māori wards and Māori constituencies

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<sup>1</sup> Similar to electorates for parliamentary elections, the geographic areas of local authorities are often divided up for election purposes. They are referred to as “wards” for territorial authorities and “constituencies” for regional councils.

- remove the requirement for councils that have not established Māori wards or Māori constituencies to consider them every 6 years during their representation review
- require councils that had established or resolved to establish Māori wards or Māori constituencies since 2020 without a poll to hold a binding poll at the 2025 local elections
- extend the statutory time frame for local elections to allow more time for the postal delivery of voting papers.

### **Legislative scrutiny**

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We have no issues regarding the legislation’s design to bring to the attention of the House.

### **Proposed amendments**

This commentary covers the amendments we recommend to the bill as introduced. These amendments are technical changes, designed to improve the workability of the bill based on the submissions we received.

#### **Limitations on division into Māori wards or Māori constituencies**

Clause 7 would insert new sections 19ZA to 19ZG into the Local Electoral Act. This would reinstate the provisions:

- enabling electors to demand a poll on whether to establish Māori wards or Māori constituencies
- enabling territorial authorities and regional councils to resolve to hold a poll about whether to establish Māori wards or Māori constituencies.

The bill would insert new Part 3 into Schedule 1 of the Local Electoral Act. This sets out the transitional provisions for councils that have established or resolved to establish Māori wards since 2020 without holding polls. The bill differentiates between councils that have established Māori wards (group 1) and councils that have resolved to establish Māori wards (group 2).

Proposed new section 19ZE specifies that sections 19Z to 19ZD would not apply for territorial authorities or regional councils if either:

- they held a poll of electors that took effect at the previous triennial election or would take effect at the next triennial election
- another enactment requires that the district or region be divided into 1 or more Māori wards or Māori constituencies.

We recommend inserting clauses 39A and 48A into new Part 3 to make it clear that the limitation would also apply to polls conducted under the transitional provisions of the bill. Clause 39 relates to the requirement for local authorities to conduct binding polls in 2025 if they do not disestablish, or rescind their decision to establish, Māori

wards or Māori constituencies. Clause 48 sets out the equivalent binding poll provisions that would apply to Tauranga City Council.

### **Effect of a resolution to disestablish Māori wards or Māori constituencies**

The Local Electoral Act requires councils to complete representation reviews at least once every 6 years. Councils manage the review with oversight from the Local Government Commission, which determines objections and appeals under section 19R of the Act. The bill would enable group 1 local authorities to resolve to disestablish Māori wards or Māori constituencies. Clause 13(3) of Schedule 1, new Part 3 would apply to group 1 local authorities that resolved for disestablishment. Any determination they resolved under sections 19H, 19I, or 19J in the term commencing after the 2022 triennial election would have no effect. Those sections relate to the review of representation arrangements for elections of territorial authorities and regional councils and the review of community boards. We note that councils could determine whether to consult on this decision in line with sections 76 to 82A of the Local Government Act 2002.

We recommend amending clause 13(3) to make it clear that any proceedings before the Local Government Commission under section 19R would also end. The Commission would not be required to take any further action regarding the determination.

### **Reverting to pre-2020 representation arrangements or continuing existing representation arrangements**

Clause 14 of new Part 3 would enable a group 1 local authority to resolve to revert to the representation arrangements that applied at the 2019 triennial general elections (the pre-2020 representation arrangements). To do so, they would need to satisfy the following requirements, set out in clause 15:

- The arrangements would need to provide fair and effective representation.<sup>2</sup>
- The local authority would need to request updated population estimates from, and provide relevant information to, Statistics New Zealand.
- The local authority would need to table at a meeting the updated population estimates and explain how the fair and effective representation requirements under sections 19T to 19W of the Local Electoral Act would be met. They would also need to provide a statement from the Local Government Commission about the consistency of the pre-2020 representation arrangements with section 19V(2) of the Act. The statement would need to take account of the updated population estimates.

<sup>2</sup> “Fair representation” entails that the ratio of councillors to the population of each ward should be no more than 10 percent greater or smaller than the representation ratio of the district as a whole. “Effective representation” includes consideration of the number of councillors to be elected, the geographic extent of wards, and whether or not they reflect communities of interest. (Sections 19T to 19V of the Local Electoral Act 2001.)

Clause 34 of new Part 3 would allow a group 2 local authority that had not completed a representation review since the 2019 triennial general election to resolve to continue their existing representation arrangements. They would need to satisfy the requirements in clause 35, which replicate the provisions in clause 15 (as listed above).

Section 19V of the Local Electoral Act relates to the requirement for fair representation and other factors when determining membership for wards, constituencies, and subdivisions. Section 19V(3) enables a territorial authority to not comply with subsection (2) in some circumstances. Under section 19V(4), a territorial authority or regional council that decides not to comply must refer the decision to the Local Government Commission. Section 19V(6) provides that the Commission must then determine whether to uphold or alter the decision.

Clauses 15(3) and 35(3) of new Part 3 deal with exceptions from compliance under section 19V(3) for the local authority's most recent representation review that the Commission has previously upheld. For the purposes of considering the fair and effective representation requirements under sections 19T to 19V, the exception would continue to apply. The local authority would not be required to refer the relevant decision to the Commission under section 19V(4).

We propose several amendments to clauses 15 and 35 of new Part 3. We recommend that references to “fair and effective representation” should relate to communities of interest and accord with sections 19T to 19W of the Local Electoral Act. For more specificity, we recommend replacing the references to “updated population estimates” in clauses 15(2) and 35(2) with “2023 population estimates”. We also recommend specifying that the determination under section 19V(6) of the Act relates to specific wards, constituencies, or subdivisions in the previous representation review. This proposed amendment aims to prevent the suggestion that the exemption could apply more broadly to all the representation arrangements.

### **Adjustments to boundaries by group 1 local authorities**

Clause 17 of new Part 3 would enable a group 1 local authority that resolved to revert to its pre-2020 representation arrangements to resolve to adjust the boundaries of any ward, constituency, community, or subdivision. They would need to be satisfied that the adjustments were necessary to ensure that the boundaries coincided with current statistical meshblock boundaries determined by Statistics New Zealand.<sup>3</sup>

We recommend several amendments to clause 17. Our proposed amendments would require the local authority to seek and consider advice from Statistics New Zealand about any adjustments it had made to relevant statistical meshblock boundaries within a specified period. The local authority would also need to resolve that the adjustments to the boundaries were necessary.

<sup>3</sup> A meshblock is a defined geographic area, which can vary in size. It is the smallest geographic unit for which statistical data is collected and processed by Statistics New Zealand.

### **Notifying a resolution to revert to pre-2020 representation arrangements or continue existing arrangements**

Clause 18 of new Part 3 would require a group 1 local authority to publicly notify their resolution to revert to its pre-2020 representation arrangements. Clause 37 would apply the same requirement for a group 2 local authority that resolved to continue its existing representation arrangements. Under clauses 18(a)(i) and 37(a)(i), the notifications would need to include the number of elected positions the local authority would have. We recommend inserting clauses 18(a)(ia) and 37(a)(ia) to require the notification to include the number of appointed positions for community boards, if any.

Clause 18(c) provides that the local authority would need to give the Surveyor-General a copy of the plans for the arrangements that it is reverting to. This includes any minor changes made to boundaries under clause 17. We recommend amending this clause to make it clear that new plans should be provided if minor changes are made to boundaries.

### **Effect of a poll**

Clause 50 of new Part 3 sets out the processes that the Tauranga City Council must follow after a poll. We recommend inserting clause 50(5) to require the Council to include the outcome of the poll in its 2027 review of representation arrangements.

### **Other matters that we wish to highlight**

In addition to our proposed amendments, we also wish to draw attention to the following additional matters.

#### **Report of the Waitangi Tribunal**

We note that, on 17 May 2024, the Waitangi Tribunal released *The Māori Wards and Constituencies Urgent Inquiry Report—WAI 3365*.<sup>4</sup> The Tribunal criticised the Crown's prioritisation of coalition agreement commitments over its obligations to Māori. It specifically highlighted the lack of discussion or consultation with Māori as Treaty partners about the bill's proposals. The Tribunal identified this as a breach of the Treaty principle of partnership.

The Tribunal also made the following findings:

- The Government had breached the duty to act in good faith. It did so by failing to make reasonable and informed decisions in rushing the process to fit ministerial timeframes without allowing for adequate consideration of Māori views.
- The Government's prioritising of its political agenda over the desires of Māori for dedicated political representation at a local level breached the Crown's duty to actively protect the rights and interests of Māori.

<sup>4</sup> A copy of the report is available on the [Waitangi Tribunal website](#).

- The Tribunal considered that the poll provisions are inequitable and discriminatory and a barrier for Māori representation in local government.
- Removing the option for Māori voters to choose whether to be represented by general or Māori ward councillors breached the Treaty principle of options.

The Tribunal recommended that the Crown stop the bill process to allow for proper consultation between Treaty partners. It also recommended that the process for establishing Māori wards be more closely aligned with sections 19H and 19I of the Local Electoral Act. These sections relate to the standard representation review process.

### **Consistency with New Zealand’s international obligations**

The bill’s Departmental Disclosure Statement (DDS) specifies what steps have been taken to determine whether the policy that the bill gives effect to is consistent with New Zealand’s international obligations. It observes that, by ratifying international covenants and conventions on human rights, New Zealand, among other things, committed to the principle of non-regression—that is, avoiding conduct that may weaken existing human rights protections. We note that, for all aspects of an international treaty to have force of law in New Zealand, they need to be incorporated into domestic legislation.

The DDS notes that New Zealand has ratified the International Covenant on Civil and Political Rights. Article 25 recognises and protects the right of every citizen to take part in the conduct of public affairs. Article 26 enshrines a right to equality before the law. The DDS comments that the United Nations Human Rights Committee has previously raised concerns about the representation of Māori in local government, and asked that New Zealand act to address this. We acknowledge that the DDS states that the Māori ward provisions in the bill could be considered regression in this area.

### **Concepts used in submissions**

A common theme of submissions supporting the bill was that it would return to the concept of “one person, one vote” and that all votes should be treated equally. We would like to point out that the Māori wards system does not represent a departure from the concept of “one person, one vote”. Voters on the Māori electoral roll do not have more opportunities to vote or for representation than people on the general electoral roll. Voters on the Māori electoral roll can only vote for the Māori ward councillor or councillors for the area that they live in, and they cannot vote for general ward councillors in that area. Māori wards are also subject to the democratic process and the councillors are elected by majority vote by electors on the Māori electoral roll.

A number of submitters commented that the percentage of Māori elected members was similar to the Māori population more generally, even before the 2021 Amendment Act. They therefore considered that additional opportunities for specific Māori representation were not needed. We note, however, that some submitters considered that Māori councillors in general wards do not necessarily represent Māori, and this should not be conflated with the concept of representing Māori electors in a Māori ward.

**Implementation**

We note that, if councils were unable to implement the changes, some of us consider that this could be a problem under Part 10 of the Local Government Act.

**New Zealand Labour Party differing view**

The Labour Party members on this committee oppose the passing of this bill. The centrepiece of this bill is a number of measures which will inevitably have the effect of reducing Māori representation at a local level. Most fundamentally it does so by taking away from local bodies the power to determine representation questions in respect of Māori and imposing a requirement of referenda. The only basis for this is an intention by this Government to reduce Māori representation and suppressing the Māori voice.

**Misleading Government narrative**

We consider the narrative by the Government that these changes are pro-democratic and that in some way Māori wards are inconsistent with “one person—one vote” to be disingenuous, divisive, and appealing to the basest instinct of a small minority of New Zealanders. The existence of Māori wards simply provides that, where those wards exist, Māori can choose to use their (single) vote to vote for specifically Māori representation at a local government level. As was noted in submissions (for example by Professor Janine Hayward), referenda are a very poor tool by which to make representation decisions—they have the effect of silencing the voice of minorities.

**There is no problem that needs to be addressed**

Good policy is developed by first identifying the problem which is sought to be addressed. There is no problem in this instance. This is well demonstrated by the Regulatory Impact Statement which in seeking to articulate the problem being addressed can do no more than quote coalition agreement commitments. We consider it reflects very poorly on this Government that they will backtrack on some election promises like providing cancer drugs, but will not revisit decisions like referenda for Māori wards when the clear advice from their officials and the preponderance of submitters is that there is no problem to be fixed.

**Local bodies can be trusted to manage local democracy**

We consider that local bodies should themselves be left to determine what electoral arrangements are best to ensure effective representation of their communities. Māori wards should be dealt with on the same basis of other wards such as rural wards, or isolated and island communities.

The irony that this reform which claims to be enhancing democracy has been pushed in the coalition agreement by a minor party and the effectiveness of Māori representation is being reduced because of the demands of the ACT Party which got around 8.5 percent of the vote. We are disappointed that the National Party, which historically has a creditable record in promoting Māori aspirations, has let itself be captured by fringe interests.



**Submitters overwhelmingly oppose referenda**

We consider it disturbing that this Government refers to its coalition agreement as a non-negotiable base line notwithstanding the tsunami of evidence which shows the proposed measures will result in lower quality and higher cost local government; and that the vast majority of submitters oppose the bill. The irony of the Government pandering to a minority of its own constituency in imposing a requirement of a referendum in the name of “democracy” does not escape us.

**This bill breaches the Crown’s Treaty obligations**

It is equally disturbing that the Government has no regards whatsoever for its fundamental constitutional obligation to adhere to its Treaty obligations. This legislation is in breach of the Treaty in many ways.

**Lack of consultation is a Treaty breach**

Most fundamentally this measure has been introduced without consulting Māori. It has been rushed both in its pre-legislative steps, and in the shamefully short period in which it has been before this committee. The regulatory impact statement makes it abundantly clear that there has not been adequate consultation with Māori. Government agencies consulting amongst themselves is no substitute for genuine engagement.

We commend those organisations and individuals who managed to submit to this committee either in writing or in person in the few days that were available to do so; however, we also acknowledge the many groups and individuals who have been denied the ability to participate in the democratic process. Once again this Government is abusing the democratic process by truncating the usual timelines to undermine the democratic voice of a section of the community that is under siege by this Government.

**Predetermination of outcome is a breach of the Treaty obligation to act in good faith**

A Treaty-compliant process requires the government to approach any question which affects Māori with an open mind and in good faith. This process is anything but. It is predetermined, closed minded, and fundamentally a bad faith approach to lawmaking. Critical to a good faith process is government turning its mind to the question of how any proposed measure would affect Māori. This simply has not occurred. There is no evidence of any analysis (internal or otherwise) that the Government paused to consider the effect on Māori and balanced this against other matters it considered relevant.

**The objective of the bill is undermining of the tino rangatiratanga promise in Article 2**

Also fundamental to Treaty rights is the concept of tino rangatiratanga. This includes the right to self-determination including the right to participate in any political and decision-making process that affects Māori. This goes beyond a right to be asked for

an opinion—consultation; it is a right to be around the table participating in decision-making.

This bill is an affront to tino rangatiratanga. Its very purpose is to reduce the ability of Māori to be around the table. The political pretext for this approach is an assimilationist approach to democracy which fails to address both the Treaty right of Māori to be included in decision-making, but also disregards the need to have truly representative decision-making bodies—rather than reflecting only the majority demographic of the voting public.

### **Reducing the ability for Māori participation is a breach of the duty to actively protect and promote**

A further obligation of government under the Treaty is a duty to actively protect—to take positive steps to ensure that the rights and interests of Māori are protected and promoted. It is widely recognised that historically in many ways and on many occasions the Crown has failed in this duty. In recent decades this has improved, and the existence of Māori wards is one step in the right direction. To now take a step calculated to reduce representation of Māori is intentionally and actively harmful of Māori and is diametrically opposed to the obligation to actively protect.

The fact that Māori wards generally are consistent with the principles of the Treaty, but referendum provisions undermine this was recognised by the Waitangi Tribunal when it stated in the Te Rohe Pōtae Report (2023):

*The provisions in the Local Electoral Act 2001 that allow for the establishment of Māori wards or constituencies are undermined by the provisions, in the same Act, that allow a minority to demand a poll to decide the issue, which can then be defeated, especially when Māori are the minority.*

The obligation of the government to improve opportunities for Māori to contribute to local government decision-making is also articulated in section 4 of the Local Government Act 2002. That is a recognition that Māori participation needs improvement—needs to be enhanced rather than undermined.

The Government, in its submission to the Waitangi Tribunal, has acknowledged that elected members who identify as Māori increased after the 2022 elections, which can be attributed to the increase in Māori wards following the 2021 amendments.<sup>5</sup> This bill will reduce the number of Māori participating as surely as night follows day; and this appears to be the intention of this Government.

### **Attorney-General's report agrees referenda create barriers for Māori**

The Attorney-General has provided a report on this bill.<sup>6</sup> While it has wriggled out of finding that the bill is inconsistent with the New Zealand Bill of Rights Act, it is

<sup>5</sup> The Waitangi Tribunal Report *The Māori Wards and Constituencies Urgent Inquiry Report—WAI 3365* (p 11), available on the [Waitangi Tribunal website](#).

<sup>6</sup> The Attorney-General's report is available on the [Ministry of Justice website](#).

nevertheless damning. It finds “in practice, binding polls have proven a barrier to the establishment of Māori wards in local authorities” and:

*[T]he Bill appears likely to result in a reduction in the representation of Māori as a specific community of interest, including by subjecting Māori as a specific community of interest to particular procedural requirements. We consider this is disadvantageous for electors on the Māori roll, in a local authority context, relative to their current position.*

This bill is yet another example of the failure of this Government in its obligation to actively protect the interests of Māori, and taking New Zealand backwards in this regard.

#### **This bill breaks the promise of greater local control**

This bill also represents another broken promise by the Government. The Government had promised that it would increase local decision-making; it is doing the opposite. The Prime Minister, Christopher Luxon, said at Waitangi in 2024 “I want Te Aō Māori to thrive. When Māori do well, we all know it, New Zealand does well. ... We, like you, believe in localism and devolution, not centralisation and control.” This bill is demonstrable evidence that this Government says one thing and does another.

#### **This bill imposes unfunded costs and workload burdens on local bodies**

This reform is placing an unnecessary burden on local government. It is rushed, not only in the passing of this bill, but also in its implementation. This is identified in the Regulatory Impact Statement which recognises the strain that this will place on local bodies when implemented.<sup>7</sup> We consider it entirely unnecessary to seek to return to the status quo ex-ante. To seek to turn the clock back and require local bodies which have instituted Māori wards or constituencies under the law as it currently stands to hold referenda to retain them is costly and unnecessary. We heard that this will impose additional costs on local bodies ranging from \$60,000 to hundreds of thousands of dollars. There is no additional funding for the additional burden that the Government is placing on local bodies.

#### **Referenda provisions are an effective veto on Māori representation**

Between 2002 and 2019 two councils established Māori wards. This was despite fourteen councils attempting to establish Māori wards. Of sixteen polls which were held, only one was in favour of establishing a Māori ward (Wairoa, 2016). The Waikato Regional Council established Māori wards without a poll being demanded by electors.

The current law has effectively increased Māori representation. Under the law as it stands 46 councils have voted to establish Māori wards (32 councils resolved to establish Māori wards before the 2022 local elections, 14 councils have resolved to

<sup>7</sup> The Regulatory Impact Statement is available on the [Department of Internal Affairs website](#).

establish Māori wards, with effect from the 2025 local elections). This is a testament to the effectiveness of the law that the National-led coalition Government, at the behest of the ACT Party, wants to repeal in improving the representation of Māori.

The fact that the law that the Government is taking us backwards to is ineffective and an effective veto on Māori wards is acknowledged by the Department of Internal Affairs in its Regulatory Impact Statement. It states (p 8):

*The inclusion of the poll provisions was intended as a mechanism to allow Māori electors to seek Māori wards if the council did not consider it or decided against. However, in practice, the poll provisions were used to challenge council resolutions to establish Māori wards and proved to be an almost insurmountable barrier to their establishment. Between 2002 and 2019 only two councils established Māori wards using the previous process under the Act. Fourteen councils attempted to establish Māori wards, some more than once. Sixteen polls were held, and only one of these was in favour of establishing Māori wards (Wairoa District Council in 2016). One council (Waikato Regional Council) established Māori wards without a poll being demanded by electors.*

The evidence is clear that under the old system (which is being reinstated) the rules acted as an effective block to effective Māori representation; it is equally clear that this is what the Government wants to achieve with this bill.

### **The bill is inconsistent with the principles and objectives of local government**

Any reform of the local government electoral system should be consistent with the key principles set out in section 4 of the Local Electoral Act—to achieve representative and substantial electoral participation in local elections and polls and to achieve fair and effective representation for individuals and communities. This bill has the opposite effect.

We know that Māori electoral options increase voter turnout of Māori. The effective removal of Māori electoral options—as contemplated by this bill—will reduce Māori turnout and Māori participation in local democracy. We also know that prior to the reform Māori were significantly underrepresented in local body politics. This has changed in recent years, but there is still a degree of under-representation and more progress is needed. This reform is intended to, and will have, the effect of reducing the representation of Māori. It is intentionally regressive and cuts across the fundamental principles of the Local Electoral Act.

### **Local bodies are more effective with diverse councils which include Māori**

Finally, and quite probably most importantly, all of the evidence provided to this committee from local bodies, as well as many other organisations, established that local government is better off with increased Māori participation.

Politically having a Māori voice at the decision-making table makes it much more likely that issues and pitfalls that might crop up with iwi and hapū are identified

before they become problematic. It is fostering of a more meaningful, productive, and workable relationship.

It can also provide a more diverse set of views to input into decisions. We heard that this was particularly important in environmental matters. For example, we heard from the Advisory Committee for the Waikato Regional Environment that:

*Māori communities possess traditional ecological knowledge that has been passed down through generations and offers valuable insights into sustainable land and resource management practices. Supporting Māori wards ensures that this knowledge is valued in decision-making processes, leading to more environmentally sustainable policies and practices.*

### **Inclusion of Māori by Māori wards assists in respecting customary rights of tangata whenua**

Quite apart from the Treaty principles, many iwi and hapu have had traditional rights and interests in environmental features ignored both by government and local government. Quite apart from obvious examples of confiscations, unfair Crown purchases, and Crown complicity in purchase fraud, there is a long history of governments ignoring customary rights in development decisions. In one example (of many), historian Ann Parsonson said:

*For Waikato-Tainui, one of the greatest impacts of the raupatu (confiscations) in respect of the River has been the removal of their capacity to protect the River in the decades of rapid change that followed. Their authority and their tikanga were ignored, as if they had not existed for hundreds of years. As mining, farming, sewage disposal and hydro-electricity development took their toll on the health of the river, Waikato-Tainui were not consulted.*

Having a seat at the council table makes it less likely that this will continue. This bill removes the seat at the table and will make such transgressions in the future more likely.

### **This bill returns to a system of structural racial bias**

Ultimately the return to a requirement for referenda is a return to a system that excludes Māori by design if not by intent. While no (or few) voters will fill out their ballot with an intention to discriminate on the basis of race, we know that leaving the design of an electoral structure to a majoritarian vote will lead to a system that is structurally racist. The Government has received advice to this effect and is proceeding in the face of it.

While this view has been in moderate language it is important to record that many submitters (both orally and in writing) were angry and frustrated and expressed this. For example:

- [We] see this legislation being a deliberate attack on Te Ao Māori and a part of this coalition government's plans to exterminate Te Ao Māori. (Tuapou B5 Reservation Trust).

- The process and behaviour the Crown is undertaking to advance this bill is reflective of the approach of the government in the 1860s when they invaded Aotearoa, which deliberately acted to oppress Māori (Nukuhau Pā/ Ngāti Rauhoto/ Ngāti Te Urunga).
- This bill is anti-democratic (both in process and content), divisive, and this does a disservice to our international reputation (Mahi Mininare / Anglican Action).
- This bill is nothing more than dog whistle politics at its worse, purporting to be about returning democracy to local Governance while putting the thumbs of the outcome on the scale in a way which this Government knows will see negative outcomes for Māori representation across the motu (Paul Barlow).
- The bill is discriminatory, racist, and divisive—it singles out Māori wards and constituencies to be subject to community-wide polls but does not place that requirement on any other wards or constituencies (Groundwork—Facilitating Change).
- This Coalition Government does not have a unilateral right to set aside Te Tiriti obligations. We consider that the re-introduction of poll provisions are inequitable, discriminatory and a barrier for hapū representation in local government (Te Whare o Tōroa (Wairaka) Marae Committee).
- While saying it is opposed to “race”-based practices, this Government appears to uphold (white) majority assumptions of power. This Government’s idea of a status quo is based on the continuing dominance of the (white) majority over all different others (because minorities struggle to be represented when they are not granted a place “at the table”) (Te Pūtahitanga o Te Waipounamu).
- The policies at the heart of the bill clearly reflect political, race-based ideologies that have been taken straight from the Coalition Agreements with the NZ First and ACT parties and advanced under urgency without care or regard for due process, expert analysis, consideration of impacts or options, or engagement with iwi, Māori, or local government (Pou Taiao - Leaders of the National Iwi Chairs Forum).
- Framing Māori rights in opposition to the rights of local electors is unnecessarily inflammatory, divisive, and racist. Māori are part of the local community, Māori are local electors, and Māori have the right to equal representation (Ngā Rangahautira | the Māori Law Students Association of Victoria University of Wellington).

### **Green Party of Aotearoa New Zealand differing view**

The Greens oppose requiring referendums to retain or establish Māori wards.

Māori wards are a critical aspect of ensuring the views and aspirations of tangata whenua are at the council table sharing their knowledge, promoting greater inclusion, and addressing issues that affect Māori communities. Māori ward councillors have increased trust and understanding between iwi Māori and councils.

Māori wards at councils mirror the long-standing approach to Māori electorates for central government. This recognises that without dedicated pathways to representation, Māori communities of interest are likely to be sidelined and overall membership of councils is unlikely to be represented.

Councils who have established Māori wards will have already consulted with their communities during their representation review. These decisions were made after seeking community views through usual processes, rather than being imposed. No other decision by councils, such as about voting methods, rates levels, rural wards, water management, cycleways, numbers of councillors, or sale of assets, are required to have a referendum. We heard no convincing evidence that the single area for a forced referendum should be the establishment and retention of Māori wards.

Unfortunately, in the past, referendums have disempowered Māori voices at council, and provided a platform for divisive and racist tactics that whip up fear. It is deeply unfair to Māori communities to create this barrier to representation. The Green Party considers these changes to the law will empower those who seek to create division in our communities, while disempowering Māori. We particularly note the Waitangi Tribunal's *The Māori Wards and Constituencies Urgent Inquiry Report*.<sup>8</sup>

Finally, the issue of modifying postal voting timetables follows clear advice from the Department of Internal Affairs that New Zealand Post (NZ Post), as the main provider of delivering local electoral voting papers, will not be able to deliver voting papers within the statutory timeframes under the Local Electoral Act 2001 from the 2025 elections onwards. As a result, eligible voters may not have enough time to complete and return their voting papers. This needs to be addressed substantively, so that turnout is not suppressed. We urge this to proceed through a separate bill in advance of the 2025 election.

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<sup>8</sup> A copy of the report is available on the [Waitangi Tribunal website](#).

## Appendix A

### Committee process

The Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill was referred to the committee on 23 May 2024. We called for submissions on the bill with a closing date of 29 May 2024.

We received and considered submissions from 10,614 interested groups and individuals. We heard oral evidence from 172 submitters at hearings in Wellington and by videoconference. We also received and considered submissions from 13,403 people which were made through the New Zealand Taxpayers' Union submission tool and emailed to us. We note that, in the future, submissions should not be provided via email and should be directed through the "Make a submission" page on the Parliament website.

Advice on the bill was provided by the Department of Internal Affairs and the Local Government Commission. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting.

### Committee membership

James Meager (Chairperson)

Hon Ginny Andersen

Jamie Arbuckle

Cameron Brewer

Tākuta Ferris

Paulo Garcia

Dr Tracey McLellan

Rima Nakhle

Tamatha Paul

Todd Stephenson

Hon Dr Duncan Webb

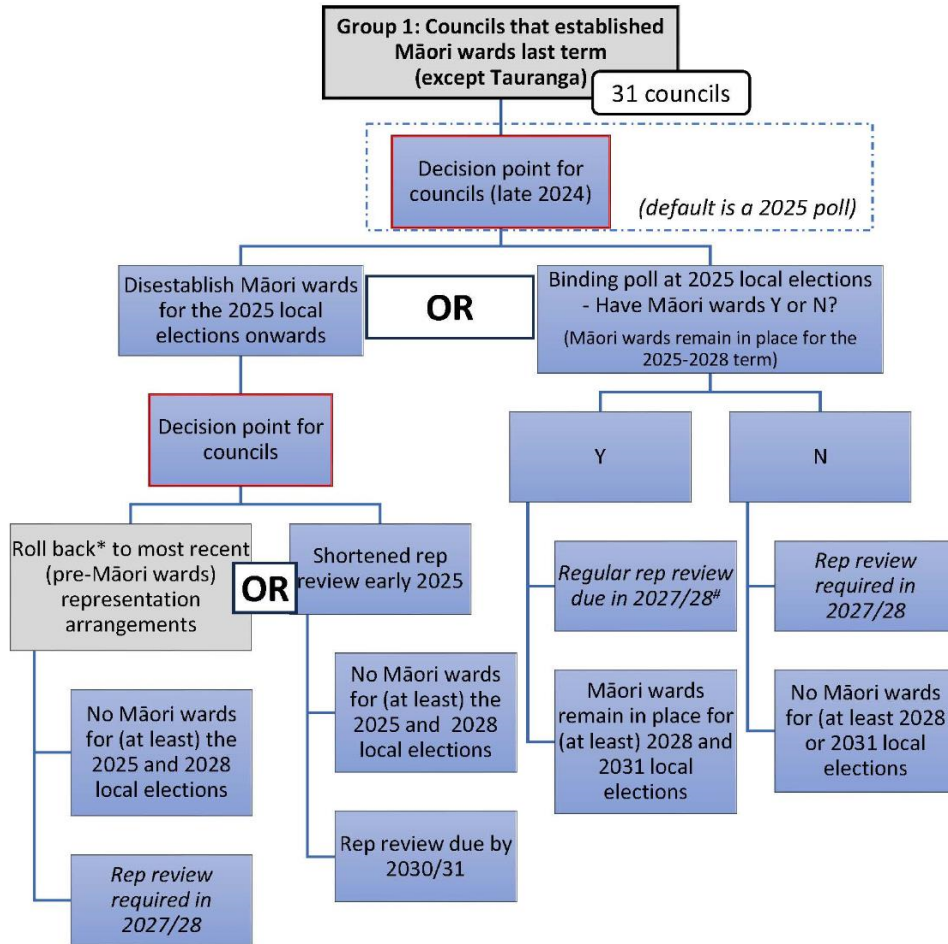
### Related resources

The documents we received as advice and evidence are available on the Parliament website. A summary of the submissions is available in the departmental report, which is published on the Parliament website.



## Appendix B

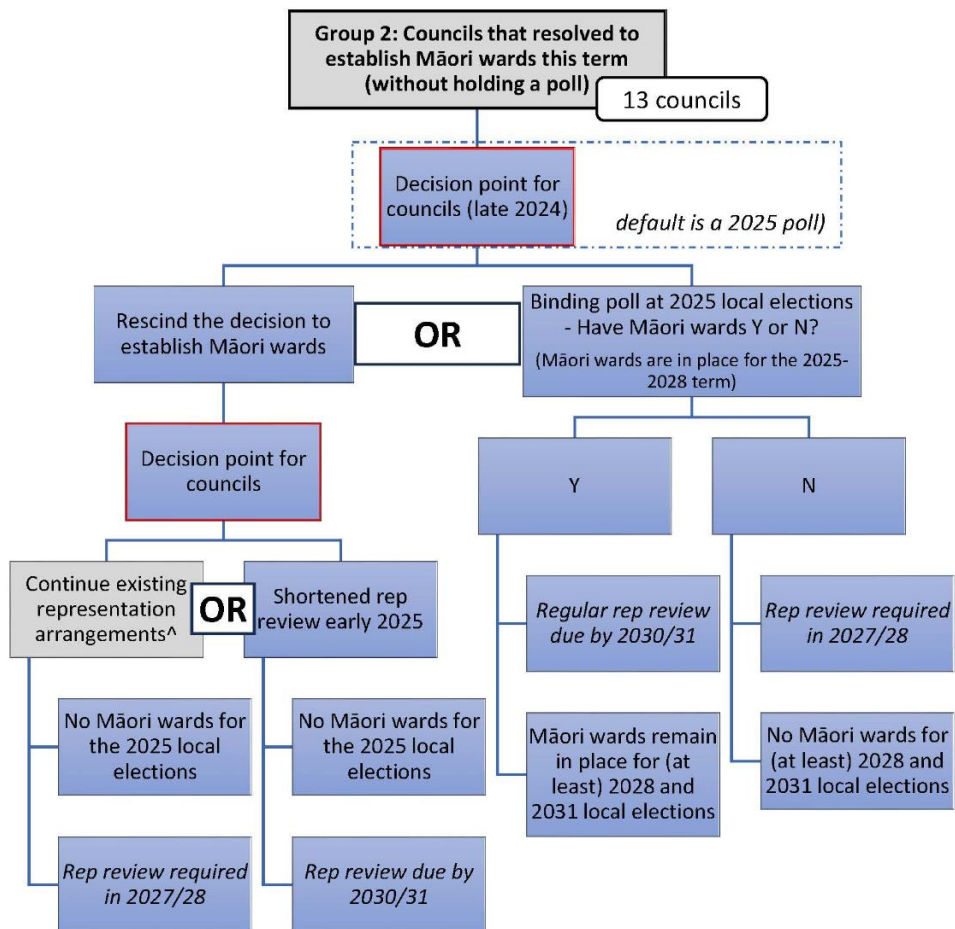
### Transitional options for councils – Poll at 2025 elections or reverse Māori wards decisions



\* Councils can only take this option if they would still meet the fair and representation requirements under the rolled back model.

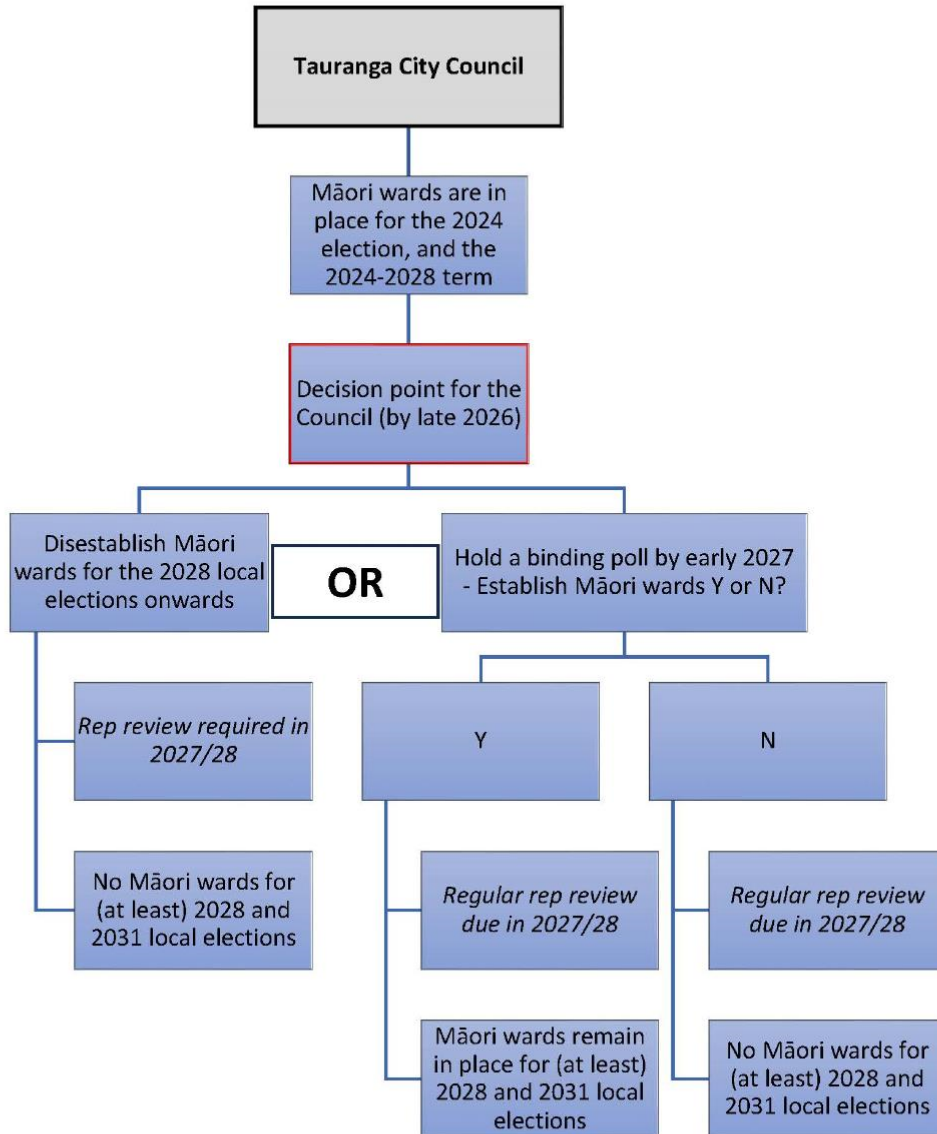
# Far North District Council may not be required to complete the regular rep review until 2030/31 if it has completed a rep review in the current term.

(“Rep review” = review of council representation arrangements)



- ^ This option applies differently depending on when councils completed their last rep review:
- Any councils which undertook a rep review in the 2019-2022 term may use this option.
  - Councils which last completed a rep review in the 2016-2019 term can only use this option if their representation arrangements can still meet the fair and effective representation requirements.

**Transitional options for Tauranga City Council – to take effect at 2028 elections**



**Local Government (Electoral Legislation and Māori  
Wards and Māori Constituencies) Amendment Bill**

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**Key to symbols used in reprinted bill**

**As reported from a select committee**

text inserted by a majority

~~text deleted by a majority~~



*Hon Simeon Brown*

## **Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill**

Government Bill

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**Schedule**

**New Part 3 inserted into Schedule 1 of Local Electoral Act 2001**

13

**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act **2024**.

**2 Commencement**

5

- (1) **Sections 4, 8, 9, 10 to 15, and 30 to 35** come into force on 1 April 2025.
- (2) **Sections 5 to 7 and 16** come into force on 12 October 2025.
- (3) **Sections 17 and 19 to 28** come into force on the day after Royal assent.

**Part 1**

**Amendments to Local Electoral Act 2001**

10

**3 Principal Act**

**Sections 4 to 17** amend the Local Electoral Act 2001.

**4 Section 5 amended (Interpretation)**

- (1) In section 5(1), definition of **nomination day**, replace “57th day” with “71st day”. 15
- (2) In section 5(1), definition of **voting period**, paragraph (b), replace “22 and a half days” with “32 and a half days”.

**5 Section 9 amended (Holding of referendum)**

Replace section 9(7) with:

- (7) The result of any referendum conducted as a consequence of a direction under this section is not binding on the local authority unless it resolves otherwise or any enactment provides otherwise. 20

**6 Section 19Z amended (Territorial authority or regional council may resolve to establish Māori wards or Māori constituencies)**

- (1) After section 19Z(2), insert: 25
  - (2A) The powers in subsections (1) and (2) to resolve to establish Māori wards and Māori constituencies for electoral purposes include the powers to disestablish them.
  - (2B) The requirements that apply in relation to establishing Māori wards and Māori constituencies for electoral purposes also apply, with all necessary modifications, to their disestablishment. 30
- (2) In section 19Z(3)(a), replace “23 November” with “12 September”.
- (3) Replace section 19Z(3)(c) with:



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(c)	in either case, takes effect for 2 triennial general elections of the territorial authority or regional council, and for any associated election, and continues in effect after that until—	
(i)	a further resolution under this section takes effect; or	
(ii)	a poll of electors of the territorial authority or regional council held under <b>section 19ZF</b> takes effect.	5
(4)	Replace section 19Z(4) with:	
(4)	This section is subject to <b>section 19ZE</b> and to clauses 2(5) and 4(4) of Schedule 1A.	
(5)	In section 19Z(5), after “In this section”, insert “and in <b>sections 19ZB to 19ZG</b> ”.	10
<b>7</b>	<b>New sections 19ZA to 19ZG inserted</b>	
	After section 19Z, insert:	
	<b>19ZA Public notice of right to demand poll</b>	
(1)	A territorial authority or regional council that passes a resolution under section 19Z must give public notice, not later than the required date, of the right to demand, under <b>section 19ZB</b> , a poll on the question whether,—	15
(a)	in the case of a territorial authority, the district should be divided into 1 or more Māori wards; or	
(b)	in the case of a regional council, the region should be divided into 1 or more Māori constituencies.	20
(2)	The public notice under <b>subsection (1)</b> must include—	
(a)	notice of the resolution under section 19Z; and	
(b)	a statement that a poll is required to countermand that resolution.	
(3)	In <b>subsection (1)</b> , <b>required date</b> means,—	25
(a)	in the case of a resolution under section 19Z that is made after a triennial general election but not later than 12 September of the year that is 2 years before the next triennial general election, 19 September in that year;	
(b)	in the case of a resolution under section 19Z that is made at some other time, the date that is 7 days after the date of the resolution.	30
(4)	This section is subject to <b>section 19ZE</b> .	
	<b>19ZB Electors may demand poll</b>	
(1)	A specified number of electors of a territorial authority or regional council may, at any time, demand that a poll be held on the question whether,—	35
(a)	in the case of a territorial authority, the district should be divided into 1 or more Māori wards; or	

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<p>(b) in the case of a regional council, the region should be divided into 1 or more Māori constituencies.</p> <p>(2) This section is subject to <b>section 19ZE</b>.</p> <p>(3) In this section and <b>section 19ZC</b>,—</p> <p><b>demand</b> means a demand referred to in <b>subsection (1)</b></p> <p><b>specified number of electors</b>, in relation to a territorial authority or regional council, means a number of electors equal to or greater than 5% of the number of electors enrolled as eligible to vote at the previous triennial general election of the territorial authority or regional council.</p> <p><b>19ZC Requirements for valid demand</b></p> <p>(1) A demand must be made by notice in writing—</p> <p style="padding-left: 20px;">(a) signed by a specified number of electors; and</p> <p style="padding-left: 20px;">(b) delivered to the principal office of the territorial authority or regional council.</p> <p>(2) An elector may sign a demand and be treated as one of the specified number of electors only if,—</p> <p style="padding-left: 20px;">(a) in the case of a territorial authority, the name of the elector appears on the electoral roll of the territorial authority; or</p> <p style="padding-left: 20px;">(b) in the case of a regional council, the name of the elector appears on the electoral roll of a territorial authority and the elector’s address as shown on that roll is within the region; or</p> <p style="padding-left: 20px;">(c) in a case where the name of an elector does not appear on a roll in accordance with <b>paragraph (a) or (b)</b>,—</p> <p style="padding-left: 40px;">(i) the name of the elector is included on the most recently published electoral roll for any electoral district under the Electoral Act 1993 or is currently the subject of a direction by the Electoral Commission under section 115 of that Act (which relates to unpublished names); and</p> <p style="padding-left: 40px;">(ii) the address for which the elector is registered as a parliamentary elector is within the local government area of the territorial authority or regional council; or</p> <p style="padding-left: 20px;">(d) the address given by the elector who signed the demand is confirmed by the Electoral Commission as the address at which the elector is registered as a parliamentary elector and the address—</p> <p style="padding-left: 40px;">(i) is, if the demand was given to a territorial authority, within the district of the territorial authority; or</p> <p style="padding-left: 40px;">(ii) is, if the demand was delivered to a regional council, within the region of the regional council; or</p>	<p>5</p> <p>10</p> <p>15</p> <p>20</p> <p>25</p> <p>30</p> <p>35</p>
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<ul style="list-style-type: none"> <li>(e) the elector has enrolled, or has been nominated, as a ratepayer elector and is qualified to vote as a ratepayer elector in elections of the territorial authority or, as the case may require, the regional council.</li> </ul>		
<ul style="list-style-type: none"> <li>(3) Every elector who signs a demand must state, against the elector’s signature,—                             <ul style="list-style-type: none"> <li>(a) the elector’s name; and</li> <li>(b) the address for which the person is qualified as an elector of the territorial authority or regional council.</li> </ul> </li> </ul>		5
<ul style="list-style-type: none"> <li>(4) If a valid demand is received after 11 December in the year that is 2 years before the next triennial general election, the poll required by the demand—                             <ul style="list-style-type: none"> <li>(a) must be held after 28 March in the year before the triennial general election; and</li> <li>(b) has effect in accordance with <b>section 19ZG(4)</b> (which provides that the poll has effect for the purposes of the next but one triennial general election and the subsequent triennial general election).</li> </ul> </li> </ul>		10
<ul style="list-style-type: none"> <li>(5) The chief executive of the territorial authority or regional council must, as soon as practicable, give notice to the electoral officer of every valid demand for a poll made in accordance with <b>section 19ZB</b> and this section.</li> </ul>		15
<ul style="list-style-type: none"> <li>(6) This section is subject to <b>section 19ZE</b>.</li> </ul>		
<b>19ZD Territorial authority or regional council may resolve to hold poll</b>		
<ul style="list-style-type: none"> <li>(1) A territorial authority or regional council may, at any time, resolve that a poll be held on the question whether,—                             <ul style="list-style-type: none"> <li>(a) in the case of a territorial authority, the district should be divided into 1 or more Māori wards; or</li> <li>(b) in the case of a regional council, the region should be divided into 1 or more Māori constituencies.</li> </ul> </li> </ul>		20
<ul style="list-style-type: none"> <li>(2) A resolution under <b>subsection (1)</b> may, but need not, specify the date on which the poll is to be held.</li> </ul>		
<ul style="list-style-type: none"> <li>(3) The date specified for the holding of a poll must not be a date that would require deferral of the poll under section 138A.</li> </ul>		
<ul style="list-style-type: none"> <li>(4) The chief executive of the territorial authority or regional council must give notice to the electoral officer of a resolution under <b>subsection (1)</b>,—                             <ul style="list-style-type: none"> <li>(a) if no date for the holding of the poll is specified in the resolution, as soon as is practicable;</li> <li>(b) if a date for the holding of the poll is specified in the resolution, at an appropriate time that will enable the poll to be conducted in accordance with <b>section 19ZF(3)</b>.</li> </ul> </li> </ul>		30
<ul style="list-style-type: none"> <li>(5) This section is subject to <b>section 19ZE</b>.</li> </ul>		35

**19ZE Limitation on division into Māori wards or Māori constituencies**

Sections 19Z to **19ZD** do not apply, in relation to a territorial authority or regional council, if—

- (a) a poll on the question described in **section 19ZB** or **section 19ZD** held under **section 19ZF** took effect at the previous triennial general election of the territorial authority or regional council or takes effect at the next triennial general election of the territorial authority or regional council; or 5
- (b) another enactment requires that the district be divided into 1 or more Māori wards or the region be divided into 1 or more Māori constituencies. 10

**19ZF Poll of electors**

- (1) If the electoral officer for a territorial authority or regional council receives notice under **section 19ZC(5)** or **section 19ZD(4)**, the electoral officer must, as soon as practicable after receiving that notice, give public notice of the poll under section 52. 15
- (2) Despite **subsection (1)**, if an electoral officer for a territorial authority or regional council receives 1 or more notices under both **section 19ZC(5)** and **section 19ZD(4)**, or more than 1 notice under either section, in any period between 2 triennial general elections, the polls required to be taken under each notice may, to the extent that those polls would, if combined, take effect at the same general election, and if it is practicable to combine those polls, be combined. 20
- (3) A poll held under this section must be held not later than 103 days after the date on which— 25
  - (a) the notice referred to in **subsection (1)** is received; or
  - (b) the last notice referred to in **subsection (2)** is received.
- (4) **Subsection (3)** is subject to **subsection (2)**, **section 19ZC(4)**, and section 138A. 30
- (5) Every poll under this section that is held in conjunction with a triennial general election, or held after that date but not later than 28 March in the year immediately before the year in which the next triennial general election is to be held, determines whether, for the next 2 triennial general elections for the territorial authority or regional council and any associated election,— 35
  - (a) the district of the territorial authority is to be divided into 1 or more Māori wards; or
  - (b) the region of the regional council is to be divided into 1 or more Māori constituencies.
- (6) Every poll under this section that is held at some other time determines whether, for the next but one triennial general election and the following triennial 40

Part 1 cl 7	<b>Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill</b>	
	<p>ennial general election for the territorial authority or regional council and any associated election,—</p> <p>(a) the district of the territorial authority is to be divided into 1 or more Māori wards; or</p> <p>(b) the region of the regional council is to be divided into 1 or more Māori constituencies.</p> <p>(7) <b>Subsections (5) and (6)</b> are subject to clauses 2(5) and 4(4) of Schedule 1A.</p> <p><b>19ZG Effect of poll</b></p> <p>(1) <b>Subsection (2)</b> applies to a poll held in conjunction with a triennial general election or held after that election but not later than 28 March in the year immediately before the year in which the next triennial general election is to be held.</p> <p>(2) If the result of a poll to which this subsection applies requires the division of the district of a territorial authority into 1 or more Māori wards, or the division of the region of a regional council into 1 or more Māori constituencies, that district or region must be divided into those wards or constituencies, as the case requires,—</p> <p>(a) in the case of a territorial authority, for the next 2 triennial general elections of the territorial authority, and any associated election; and</p> <p>(b) in the case of a regional council, for the next 2 triennial general elections of the regional council, and any associated election; and</p> <p>(c) for all subsequent triennial general elections, elections to fill extraordinary vacancies, and elections called under section 258I or 258M of the Local Government Act 2002, until a further resolution under section 19Z takes effect or a further poll held under <b>section 19ZF</b> takes effect, whichever occurs first.</p> <p>(3) <b>Subsection (4)</b> applies to a poll held at some other time.</p> <p>(4) If the result of a poll to which this subsection applies requires the division of the district of a territorial authority into 1 or more Māori wards, or the division of the region of a regional council into 1 or more Māori constituencies, that district or region must be divided into those wards or constituencies, as the case requires,—</p> <p>(a) in the case of a territorial authority, for the next but one triennial general election and the following triennial general election of the territorial authority, and any associated election; and</p> <p>(b) in the case of a regional council, for the next but one triennial general election and the following triennial general election of the regional council, and any associated election; and</p> <p>(c) for all subsequent triennial general elections, elections to fill extraordinary vacancies, and elections called under section 258I or 258M of the</p>	<p>5</p> <p>5</p> <p>10</p> <p>15</p> <p>20</p> <p>25</p> <p>30</p> <p>35</p> <p>40</p>

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	Local Government Act 2002, until a further resolution under section 19Z takes effect or a further poll held under <b>section 19ZF</b> takes effect, whichever occurs first.	
(5)	This section is subject to clauses 2(5) and 4(4) of Schedule 1A.	
<b>8</b>	<b>Section 28 amended (Public notice of right to demand poll on electoral system)</b>	<b>5</b>
	In section 28(2A), replace “14 March” with “28 March”.	
<b>9</b>	<b>Section 30 amended (Requirements for valid demand)</b>	
	In section 30(3A)(a), replace “14 March” with “28 March”.	
<b>10</b>	<b>Section 33 amended (Poll of electors)</b>	<b>10</b>
(1)	In section 33(3), replace “89 days” with “103 days”.	
(2)	In section 33(4), replace “14 March” with “28 March”.	
<b>11</b>	<b>Section 34 amended (Effect of poll)</b>	
	In section 34(1), replace “14 March” with “28 March”.	
<b>12</b>	<b>Section 52 amended (Notice of election or poll)</b>	<b>15</b>
	In section 52(2), replace “28 days before” with “25 days before”.	
<b>13</b>	<b>Section 102 amended (New election or poll if election or poll declared void)</b>	
	In section 102(2),—	
	(a) replace “8 November” with “25 October” in each place; and	
	(b) replace “89 days” with “103 days” in each place.	<b>20</b>
<b>14</b>	<b>Section 120 amended (Election to fill extraordinary vacancy)</b>	
	In section 120(1)(b), replace “89 days after” with “103 days after”.	
<b>15</b>	<b>Section 138A amended (Special provision in relation to certain elections to fill extraordinary vacancies and certain polls)</b>	
(1)	In section 138A(1)(a),—	<b>25</b>
	(a) replace “28 September” with “14 September”; and	
	(b) replace “17 February” with “3 March”.	
(2)	In section 138A(1)(b), replace “14 March” with “28 March”.	
(3)	In section 138A(1)(c), replace “11 April” with “24 April”.	
<b>16</b>	<b>Section 138A amended (Special provision in relation to certain elections to fill extraordinary vacancies and certain polls)</b>	<b>30</b>
	Replace section 138A(1) with:	
(1)	Despite <b>section 19ZF(3)</b> , section 33(3), and section 120(1),—	

Part 1 cl 17	<b>Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill</b>	
	(a) if an electoral officer receives a notice under <b>section 19ZC(5), section 19ZD(4)</b> , section 30(4), section 31(3), or section 120(1)(a) in the period that begins on 14 September in any year and ends with the close of 20 November in that year, the polling day for the poll under <b>section 19ZF</b> or section 33, or for the election under section 120(1), must be a day not earlier than 3 March in the following year; and	5
	(b) if an electoral officer receives a notice under <b>section 19ZC(5), section 19ZD(4)</b> , section 30(4), section 31(3), or section 120(1)(a) in the period that begins on 21 November in any year and ends with the close of 15 December in that year, the polling day for the poll under <b>section 19ZF</b> or section 33, or for the election under section 120(1), must be a day not earlier than 28 March in the following year; and	10
	(c) if an electoral officer receives a notice under <b>section 19ZC(5), section 19ZD(4)</b> , section 30(4), section 31(3), or section 120(1)(a) in the period that begins on 16 December in any year and ends with the close of 12 January in the following year, the polling day for the poll under <b>section 19ZF</b> or section 33, or for the election under section 120(1), must be a day not earlier than 24 April in that following year.	15
<b>17</b>	<b>Schedule 1 amended</b>	
	In Schedule 1,—	20
	(a) insert the Part set out in the <b>Schedule</b> of this Act as the last Part; and	
	(b) make all necessary consequential amendments.	
<b>Part 2</b>		
<b>Amendments to Local Government Electoral Legislation Act 2023</b>		
<b>18</b>	<b>Principal Act</b>	25
	<b>Sections 19 to 28</b> amend the Local Government Electoral Legislation Act 2023.	
<b>19</b>	<b>Section 2 amended (Commencement)</b>	
	Repeal section 2(3).	
<b>20</b>	<b>Section 4 amended (Section 5 amended (Interpretation))</b>	30
	Repeal section 4(2).	
<b>21</b>	<b>Sections 5 to 10 repealed</b>	
	Repeal sections 5 to 10.	
<b>22</b>	<b>Section 12 amended (Section 19K amended (Requirements for resolution))</b>	
	Repeal section 12(2) and (5).	35

<b>23</b>	<b>Section 13 amended (Section 19L amended (Distribution of copies of resolution))</b> Repeal section 13(2).	
<b>24</b>	<b>Section 19 amended (Section 19R amended (Commission to determine appeals and objections))</b> Repeal section 19(1) and (2).	5
<b>25</b>	<b>Sections 20 to 23 repealed</b> Repeal sections 20 to 23.	
<b>26</b>	<b>Section 36 amended (Schedule 1 amended)</b> Repeal section 36(1) and (2).	10
<b>27</b>	<b>Section 37 amended (Schedule 1A amended)</b> Repeal section 37(1), (3), (5), (6), and (8).	
<b>28</b>	<b>Schedule 2 amended</b> In Schedule 2, Part 1, repeal the item relating to Canterbury Regional Council (Ngāi Tahu Representation) Act 2022 (2022 No 1 (L)).	15

### Part 3

#### Amendments to Local Electoral Regulations 2001

<b>29</b>	<b>Principal regulations</b> <b>Sections 30 to 35</b> amend the Local Electoral Regulations 2001.	
<b>30</b>	<b>Regulation 10 amended (Relevant date for inclusion of electors on roll)</b> (1) In regulation 10(1), replace “7 July” with “18 June”. (2) In regulation 10(2), replace “6 July” with “17 June”. (3) In regulation 10(3), replace “57th day” with “71st day”. (4) In regulation 10(4), replace “57th day” with “71st day”.	20
<b>31</b>	<b>Regulation 21 amended (Closing of roll)</b> In regulation 21, replace “57th day” with “71st day”.	25
<b>32</b>	<b>Regulation 22 amended (Certification of roll)</b> In regulation 22, replace “25th day” with “36th day”.	
<b>33</b>	<b>Regulation 23 amended (When roll in force)</b> In regulation 23, replace “25th day” with “36th day”.	30



**34 Regulation 51 amended (Issue of voting documents)**

In regulation 51(1),—

- (a) replace “23rd day” with “33rd day”; and
- (b) replace “17th day” with “19th day”.

**35 Regulation 96 amended (Issue of voting documents)**

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In regulation 96(1),—

- (a) replace “23rd day” with “33rd day”; and
- (b) replace “17th day” with “19th day”.

**Schedule**

**New Part 3 inserted into Schedule 1 of Local Electoral Act 2001**

**s 17**

**Part 3**

**Provisions relating to Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act 2024** 5

**10 Interpretation**

- (1) In this Part, unless the context otherwise requires,—
- amendment Act** means the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act **2024** 10
  - associated election** has the same meaning as in section 19Z
  - commencement date** means the date on which **section 17** of the amendment Act comes into force
  - group 1 local authority** means a territorial authority or regional council named in the first column of the table in **subclause (2)** 15
  - group 2 local authority** means a territorial authority or regional council named in the second column of the table in **subclause (2)**
  - transition period** means the period starting on the commencement date and ending on 6 September 2024. 20

(2)

<b>Group 1 local authorities</b>	<b>Group 2 local authorities</b>
Far North District Council	Central Hawke’s Bay District Council
Gisborne District Council	Hauraki District Council
Hamilton City Council	Hutt City Council
Hastings District Council	Kapiti Coast District Council
Hawke’s Bay Regional Council	Kawerau District Council
Horowhenua District Council	Napier City Council
Kaipara District Council	South Wairarapa District Council
Manawatu District Council	Tasman District Council
Manawatū-Whanganui Regional Council	Thames-Coromandel District Council
Marlborough District Council	Upper Hutt City Council
Masterton District Council	Wellington Regional Council
Matamata-Piako District Council	Western Bay of Plenty District Council
Nelson City Council	Whanganui District Council
New Plymouth District Council	
Northland Regional Council	
Ōtorohanga District Council	
Palmerston North City Council	
Porirua City Council	

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	<b>Group 1 local authorities</b>	<b>Group 2 local authorities</b>
	Rangitikei District Council	
	Rotorua District Council	
	Ruapehu District Council	
	South Taranaki District Council	
	Stratford District Council	
	Taranaki Regional Council	
	Tararua District Council	
	Taupo District Council	
	Tauranga City Council	
	Waikato District Council	
	Waipa District Council	
	Wellington City Council	
	Whakatane District Council	
	Whangarei District Council	
	<i>Provisions relating to group 1 local authorities</i>	
<b>11</b>	<b>Group 1 local authority may resolve to disestablish Māori wards or Māori constituencies</b>	
(1)	This clause applies to a group 1 local authority.	
(2)	A group 1 local authority may, at any time during the transition period, resolve to disestablish the 1 or more Māori wards or Māori constituencies it has established for electoral purposes since 2020.	5
(3)	A resolution under <b>subclause (2)</b> takes effect for the 2025 and 2028 triennial general elections of the local authority, and for any associated election, and continues in effect until—	10
	(a) a resolution under section 19Z takes effect; or	
	(b) a poll of electors of the territorial authority or regional council held under <b>section 19ZF</b> takes effect.	
(4)	See <b>clause 39</b> concerning the requirement for a group 1 local authority to hold a binding poll if it does not, by 6 September 2024, resolve to disestablish the 1 or more Māori wards or Māori constituencies it has established.	15
<b>12</b>	<b>Special consultative procedure does not apply to resolution to disestablish</b>	
	A group 1 local authority is not required to use or adopt the special consultative procedure under section 83 of the Local Government Act 2002 in respect of a proposed resolution to disestablish 1 or more Māori wards or Māori constituencies under <b>clause 11</b> .	20
<b>13</b>	<b>Effect of resolution to disestablish</b>	
(1)	A resolution of a group 1 local authority to disestablish its 1 or more Māori wards or Māori constituencies under <b>clause 11</b> does not affect—	

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- (a) any decision of the local authority made after the local authority’s resolution under section 19Z to establish those Māori wards or Māori constituencies; or
- (b) any elections held after the resolution referred to in **paragraph (a)** and before the commencement date. 5
- (2) **Subclause (1)** is subject to **subclause (3)**.
- (3) If a group 1 local authority resolves to disestablish its 1 or more Māori wards or Māori constituencies under **clause 11**, ~~any determination of the group 1 local authority made by resolution under section 19H, 19I, or 19J in the term commencing after the 2022 triennial general election has no effect (and, accordingly, the authority has no obligation to take any further action in respect of the determination under the provisions of Part 1A of this Act).~~ 10
- (a) any determination of the group 1 local authority made by resolution under section 19H, 19I, or 19J in the term commencing after the 2022 triennial general election has no effect (and, accordingly, the authority has no obligation to take any further action in respect of the determination under the provisions of Part 1A of this Act); and 15
- (b) any proceedings before the Local Government Commission under section 19R relating to a determination referred to in **paragraph (a)** also come to an end and the Commission is not required to take any further action in respect of the determination. 20
- (4) **Subclause (3)** applies regardless of whether public notice of the proposal contained in the resolution under section 19H, 19I, or 19J has been published under section 19M or 19N.
- 14 Local authority resolving to disestablish Māori wards or Māori constituencies must decide how representation arrangements for 2025 election to be set** 25
- (1) A group 1 local authority that resolves to disestablish its 1 or more Māori wards or consistencies under **clause 11** must, by 6 September 2024, determine how its representation arrangements for the 2025 triennial general election will be set. 30
- (2) For the purposes of **subclause (1)**, the local authority may—
- (a) resolve to revert to its representation arrangements that applied at the 2019 triennial general elections (**pre-2020 representation arrangements**), if the requirements in **clause 15** are satisfied; or 35
- (b) resolve to undertake, in 2024, a shortened review of its representation arrangements for elections in accordance with sections 19H to 19Q and 19T to 19Y, as modified by **clauses 21 to 28**.
- (3) A group 1 local authority must undertake a shortened review of its representation arrangements for elections, in 2024, if the requirements in **clause 15** are not satisfied (*see* **clauses 21 to 28**). 40

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(4)	To avoid doubt, sections 19R and 19S continue to apply in relation to a shortened review of representation arrangements that a local authority resolves, or is required, to undertake under <b>subclause (2)(b) or (3)</b> .	
<b>15</b>	<b>Requirements to be satisfied for local authority to revert to pre-2020 representation arrangements</b>	5
(1)	A group 1 local authority may resolve under <b>clause 14(2)(a)</b> to revert to its pre-2020 representation arrangements only if the arrangements will provide fair and effective representation <u>of communities of interest in accordance with sections 19T to 19W</u> .	
(2)	The local authority must, before passing a resolution referred to in <b>subclause (1)</b> ,—	10
	(a) request <del>updated population estimates</del> <u>2023 population estimates</u> from Statistics New Zealand on the ordinarily resident population of any region, district, local board area, constituency, ward, community, or subdivision that is included in the pre-2020 representation arrangements; and	15
	(b) provide to Statistics New Zealand such information that it may require concerning the definition of any area to which any of the estimates referred to in <b>paragraph (a)</b> are to relate; and	
	(c) table the following at the meeting at which the resolution is to be considered:	20
	(i) the <del>updated population estimates</del> <u>2023 population estimates</u> ;	
	(ii) an explanation of how the <del>fair and effective representation requirements under sections 19T to 19W</del> <u>requirements for fair and effective representation of communities of interest in accordance with sections 19T to 19W</u> will be met if the local authority reverts to the pre-2020 representation arrangements;	25
	(iii) a statement from the Local Government Commission on the consistency of the pre-2020 <u>representation</u> arrangements with section 19V(2), taking into account the <del>updated population estimates</del> <u>2023 population estimates</u> .	30
(3)	For the purposes of considering the fair and effective representation <del>requirements under sections 19T to 19W</del> <u>of communities of interest in accordance with sections 19T to 19W</u> , if an exception from compliance under section 19V(3) has been upheld on a determination by the Local Government Commission under section 19V(6) relating to <u>specific wards, constituencies, or subdivisions in the local authority's most recent representation review</u> pre-2020 representation arrangements, that exception continues to apply and the local authority is not required to refer the relevant decision to the Commission under section 19V(4).	35 40

<b>16</b>	<b>Objections process does not apply to resolution to revert to pre-2020 representation arrangements</b>	
	Section 19P does not apply in respect of a resolution made by a group 1 local authority under <b>clause 14(2)(a)</b> .	
<b>17</b>	<b>Adjustments to boundaries by group 1 local authority</b>	5
	<del>If a group 1 local authority resolves to revert to its pre-2020 representation arrangements and the local authority is satisfied that adjustments to the boundaries of any ward, constituency, community, or subdivision are required for the purpose of ensuring that they coincide with current statistical meshblock boundaries determined by Statistics New Zealand, the local authority may determine by resolution the adjustments to be made to the boundaries to achieve that purpose.</del>	10
	<u>(1) This clause applies to a group 1 local authority that resolves to revert to its pre-2020 representation arrangements.</u>	
	<u>(2) The group 1 local authority must seek and consider advice from Statistics New Zealand as to any adjustments that Statistics New Zealand has made to the boundaries of relevant statistical meshblock areas since—</u>	15
	<u>(a) notice of a Local Government Commission determination was given under section 19S(1); or</u>	
	<u>(b) public notice of the proposed pre-2020 arrangements was given under section 19M, if there were no submissions on the proposal; or</u>	20
	<u>(c) public notice of the pre-2020 arrangements was given under section 19N(1), if there were no appeals or objections made to the Local Government Commission.</u>	
	<u>(3) The group 1 local authority must determine by resolution any necessary adjustments to be made to the boundaries of any ward, constituency, community, or subdivision to ensure that they coincide with the boundaries of the current statistical meshblock areas determined by Statistics New Zealand.</u>	25
<b>18</b>	<b>Local authority must notify resolution to revert to pre-2020 representation arrangements</b>	30
	A group 1 local authority that resolves under <b>clause 14(2)(a)</b> to revert to its pre-2020 representation arrangements must—	
	(a) give public notice of the resolution, including the following information for the next triennial general election:	
	(i) the number of elected positions the local authority will have:	35
	<u>(ia) the number of appointed positions for community boards (if any):</u>	
	(ii) the number, names, and boundaries of wards (if any) or constituencies, communities (if any), and subdivisions (if any) and the number of members to be elected to each:	

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	(iii) whether any adjustments have been made by Statistics New Zealand to the meshblocks aligning with the ward, constituency, community, or subdivision boundaries used for the 2019 or 2016 triennial general elections and whether adjustments have been made to boundaries under <b>clause 17</b> ; and	5
	(b) as soon as practicable, send a copy of the notice to the following:	
	(i) the Local Government Commission:	
	(ii) the Surveyor-General:	
	(iii) the Government Statistician:	
	(iv) the Remuneration Authority:	10
	(v) such other local authorities as may be required under section 19Y(2)(b) and (c); and	
	<del>(e) provide to the Surveyor-General a copy of the plans for the arrangements they are reverting back to, including any minor changes made to boundaries under <b>clause 17</b>.</del>	15
	(c) <u>provide to the Surveyor-General—</u>	
	(i) <u>a copy of the plans for the arrangements they are reverting to; or</u>	
	(ii) <u>in a case where minor changes have been made to boundaries in accordance with <b>clause 17</b>, new plans for the arrangements incorporating those changes.</u>	20
<b>19</b>	<b>When notified basis for election for next triennial election has effect</b>	
(1)	If a group 1 local authority has, under <b>clause 18</b> , given public notice of the basis of election for the next triennial election of the local authority, no such basis has effect unless—	
	(a) a description or plan of each ward or constituency or community or subdivision has been sent to the Surveyor-General; and	25
	(b) the Surveyor-General, or a person appointed by the Surveyor-General, certifies that the description or plan is sufficient to render the boundaries of each ward or constituency or community or subdivision capable of identification.	30
(2)	If the description of any ward or constituency or community or subdivision to which <b>subclause (1)</b> applies is defective, but the Surveyor-General, or a person appointed by the Surveyor-General, certifies that it can be amended and the defect overcome without making any change in what was evidently intended to be the area comprised in the description, the description—	35
	(a) may be so amended by resolution; and	
	(b) if so amended, has effect as if the provisions of <b>subclause (1)</b> had been complied with.	

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<b>20</b>	<b>Group 1 local authority reverting to pre-2020 electoral arrangements: representation review after 2025 triennial general elections</b>	
	A group 1 local authority that resolves to disestablish its Māori wards or Māori constituencies and revert to its pre-2020 electoral arrangements must complete its next representation review in the 2025 to 2028 local government term.	5
	<i>Shortened representation review process</i>	
<b>21</b>	<b>Application of clauses 22 to 28</b>	
	<b>Clauses 22 to 28</b> apply to a group 1 local authority that resolves to disestablish the 1 or more Māori wards or Māori constituencies it has established since 2020 and—	10
	(a) resolves under <b>clause 14(2)(b)</b> to undertake, in 2024, a shortened review of its representation arrangements for the 2025 elections; or	
	(b) is required under <b>clause 14(3)</b> to undertake a shortened review of its representation arrangements for the 2025 general election.	
<b>22</b>	<b>Requirements for resolution</b>	15
	Section 19K applies as if, in subsection (1AA), the words “must be passed no earlier than 20 December of the year that is 2 years before the year of the election and no later than 31 July of the year that is immediately before the year of the election” were replaced with “must be passed by 13 September 2024”.	
<b>23</b>	<b>Public notice of proposals and responsibilities</b>	20
	Section 19M applies as if,—	
	(a) in subsection (1), the words “must, within 14 days after making the resolution (but, in the year immediately before the year of a triennial general election, not later than 8 August)” were replaced with “must, within 7 days after making the resolution and not later than 20 September 2024”; and	25
	(b) in subsection (2)(d), the words “specify a period of not less than 1 month from” were replaced with the words “specify a period that ends not later than 11 October 2024 and that is of not less than 3 weeks from”.	
<b>24</b>	<b>Response to submissions</b>	30
	Section 19N applies as if, in subsection (1), the words “must, within 8 weeks after the end of the period allowed for the making of submissions and specified in the notice given under section 19M” were replaced with “must, within 6 weeks after the end of the period allowed for the making of submissions and specified in the notice given under section 19M”.	35
<b>25</b>	<b>Appeals</b>	
	Section 19(O) applies as if,—	



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	(a) in subsection (2)(a), the words “must not be earlier than 1 month” were replaced with “must not be earlier than 3 weeks”; and	
	(b) the words in subsection (2)(b) were replaced with “must not, in the year before the 2025 triennial general election, be later than 13 December 2024”.	5
<b>26</b>	<b>Obligation to forward appeals and objections to Commission</b> Section 19Q applies as if the reference to “20 December,” were replaced with “23 December 2024.”	
<b>27</b>	<b>Commission to determine appeals and objections</b> Section 19R applies as if, in subsection (3), the words “before 11 April in the year of a triennial general election” were replaced with “before 11 April 2025”.	10
<b>28</b>	<b>Group 1 local authority completing shortened representation review process: representation review after 2025 triennial general elections</b> A group 1 local authority that completes a shortened review process must undertake its next review of representation arrangements in accordance with the requirement in section 19H(2)(b) or 19I(2)(b) (whichever applies).	15
	<i>Provisions relating to group 2 local authorities</i>	
<b>29</b>	<b>Group 2 local authority may rescind resolution to establish Māori wards or Māori constituencies</b>	20
(1)	A group 2 local authority may, at any time during the transition period, resolve to rescind its resolution to establish 1 or more Māori wards or Māori constituencies for the purposes of the 2025 triennial general election.	
(2)	See <b>clause 39</b> concerning the requirement for a group 2 local authority to hold a binding poll if it does not, by 6 September 2024, resolve to rescind its decision to establish 1 or more Māori wards or Māori constituencies for the 2025 triennial general election.	25
<b>30</b>	<b>Special consultative procedure does not apply to resolution to rescind</b> A group 2 local authority is not required to use or adopt the special consultative procedure under section 83 of the Local Government Act 2002 in respect of a proposed resolution under <b>clause 29</b> .	30
<b>31</b>	<b>Effect of resolution to rescind</b>	
(1)	If a group 2 local authority passes a resolution under <b>clause 29</b> , any determination of the group 2 local authority made by resolution under section 19H, 19I, or 19J in the term commencing after the 2022 triennial general election has no	35

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	effect (and, accordingly, the authority has no obligation to take any further action in respect of the determination under Part 1A of this Act).	
(2)	<b>Subclause (1)</b> applies regardless of whether public notice of the proposal has been published under section 19M or 19N of this Act.	
<b>32</b>	<b>Group 2 local authority rescinding resolution to establish Māori wards or Māori constituencies must decide how representation arrangements for 2025 election to be set</b>	5
	A group 2 local authority that resolves to rescind its decision to establish 1 or more Māori wards or Māori constituencies under <b>clause 29</b> must, by 6 September 2024, determine how its representation arrangements for the 2025 triennial general election will be set.	10
<b>33</b>	<b>Options for representation arrangements for 2025 general election if representation review completed since 2019</b>	
(1)	This clause applies to a group 2 local authority if it has completed a representation review since the 2019 triennial general election.	15
(2)	For the purposes of <b>clause 32</b> , the group 2 local authority is not required to, but may, resolve to complete a shortened representation review process in 2024.	
(3)	If the group 2 local authority resolves to complete a shortened representation review process, that process must be completed in accordance with the requirements of <b>clauses 22 to 28</b> as if the reference to a group 1 local authority were a reference to a group 2 local authority.	20
(4)	If the group 2 local authority does not resolve to complete a shortened review process in 2024, its existing representation <del>review</del> arrangements continue to apply for the 2025 triennial general election in accordance with section 19H(2)(b) or 19I(2)(b) (whichever applies).	25
<b>34</b>	<b>Options for representation arrangements for 2025 general election if no representation review completed since 2019</b>	
(1)	This clause applies to a group 2 local authority if it has not completed a representation review since the 2019 triennial general election.	30
(2)	The group 2 local authority may, for the 2025 triennial general election,—	
	(a) resolve to continue its existing representation arrangements, if the requirements in <b>clause 35</b> are met; or	
	(b) resolve to undertake, in 2024, a shortened review of its representation arrangements for elections.	35
(3)	A group 2 local authority must undertake a shortened review of its representation arrangements, in 2024, if the requirements in <b>clause 35</b> are not met.	
(4)	A shortened review process undertaken under <b>subclause (2)(b) or (3)</b> must be completed in accordance with the requirements of <b>clauses 22 to 28</b> as if	

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	the reference to a group 1 local authority were a reference to a group 2 local authority.	
<b>35</b>	<b>Requirements to be satisfied for group 2 local authority to continue existing representation arrangements</b>	
(1)	A group 2 local authority that has not completed a representation review since 2019 may continue its existing representation arrangements only if the arrangements will provide fair and effective representation <u>of communities of interest in accordance with sections 19T to 19W</u> .	5
(2)	The local authority must, before passing a resolution under <b>clause 34(2)(a)</b> to continue its existing representation arrangements,—	10
	(a) request <del>updated</del> <u>2023</u> population estimates from Statistics New Zealand on the ordinarily resident population of any region, district, local board area, constituency, ward, community, or subdivision that is included in the local authority’s existing representation arrangements; and	
	(b) provide to Statistics New Zealand such information as may be required by it concerning the definition of any area to which any of the estimates referred to in <b>paragraph (a)</b> are to relate; and	15
	(c) table the following at the meeting at which the resolution is to be considered:	
	(i) the <del>updated</del> <u>2023</u> population estimates:	20
	(ii) an explanation of how the fair and effective representation requirements under sections 19T to 19W will be met if the local authority continues its existing representation arrangements:	
	(iii) a statement from the Local Government Commission on the consistency of the existing representation arrangements with section 19V(2), taking into account the <del>updated</del> <u>2023</u> population estimates.	25
(3)	For the purposes of considering the fair and effective representation <del>requirements under sections 19T to 19V</del> <u>of communities of interest in accordance with sections 19T to 19W</u> , if an exception from compliance under section 19V(3) has previously been upheld on a determination by the Local Government Commission under section 19V(6) relating to <u>specific wards, constituencies, or subdivisions in the local authority’s most recent representation review</u> <del>pre-2020 representation arrangements</del> , that exception continues to apply and the local authority is not required to refer the relevant decision to the Commission under section 19V(4).	30 35
<b>36</b>	<b>Objections process does not apply to resolution to continue existing representation arrangements</b>	
	Section 19P does not apply in respect of a resolution made by a group 2 local authority made under <b>clause 34(2)(a)</b> .	40

<b>37</b>	<b>Group 2 local authority must notify resolution to continue existing representation arrangements</b>	
(1)	A group 2 local authority that resolves under <b>clause 34(2)(a)</b> to continue its existing representation arrangements must—	
(a)	give public notice of the resolution, including the following information for the next triennial general election:	5
(i)	the number of elected positions the local authority will have:	
(ia)	<u>the number of appointed positions for community boards (if any):</u>	
(ii)	the number, names, and boundaries of wards (if any) or constituencies, communities (if any), and subdivisions (if any) and the number of members to be elected to each; and	10
(b)	as soon as practicable, send a copy of the notice to the following:	
(i)	the Local Government Commission:	
(ii)	the Surveyor-General:	
(iii)	the Government Statistician:	15
(iv)	the Remuneration Authority:	
(v)	such other local authorities as may be required under section 19Y(2)(b) and (c).	
(2)	If either Western Bay of Plenty District Council or Central Hawke’s Bay District Council gives public notice under <b>subclause (1)</b> , the local authority must, in addition, meet the requirements specified in <b>clause 19(1) and (2)</b> as if the reference to a group 1 local authority were a reference to a group 2 local authority.	20
<b>38</b>	<b>Group 2 local authority: representation review after 2025 triennial general election</b>	25
(1)	A group 2 local authority that has not completed a representation review since the 2019 triennial general election and that resolves under <b>clause 34(2)(a)</b> to continue its existing representation arrangements for the 2025 triennial general election must complete its next representation review in the 2025 to 2028 local government term.	30
(2)	A group 2 local authority that has completed a representation review since the 2019 triennial general election or that completes a shortened representation review process in accordance with the provisions of this Part must complete its next representation review in accordance with the requirements in section 19H(2)(b) or 19I(2)(b) (whichever applies).	35

Schedule	<b>Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill</b>	
<i>Conduct of binding polls in conjunction with 2025 triennial general elections</i>		
<b>39</b>	<b>Local authority must conduct binding poll in 2025 if Māori wards or Māori constituencies not disestablished or decision to establish not rescinded</b>	
(1)	This clause applies to—	5
	(a) a group 1 local authority that does not, by 6 September 2024, resolve to disestablish the 1 or more Māori wards or Māori constituencies it has established:	
	(b) a group 2 local authority that does not, by 6 September 2024, resolve to rescind its decision to establish 1 or more Māori wards or Māori constituencies for the 2025 triennial general elections.	10
(2)	A group 1 or group 2 local authority to which this clause applies must hold a poll on the question whether, from the 2028 triennial general election,—	
	(a) in the case of a territorial authority, the district should be divided into 1 or more Māori wards; or	15
	(b) in the case of a regional council, the region should be divided into 1 more Māori constituencies.	
(3)	The poll must be conducted using the First Past the Post electoral system.	
(4)	The poll must, in each case, be held—	
	(a) in conjunction with the 2025 triennial general election; and	20
	(b) in accordance with the provisions of Parts 2, 3, 4, 7, and 8 of this Act that concern the conduct of a poll.	
(5)	Every poll held under this Act as required by this clause determines the question referred to in <b>subclause (2)(a) or (b)</b> (whichever applies) for the next 2 triennial general elections for the territorial authority or regional council, and for any associated election, after the 2025 triennial general election.	25
<b>39A</b>	<b><u>Application of limitation on division into Māori wards or Māori constituencies</u></b>	
	<b><u>Section 19ZE</u></b> applies as if a poll held under <b>clause 39</b> on the question specified in <b>clause 39(2)</b> were a poll on a proposal described in <b>section 19ZE(a)</b> held under <b>section 19ZF</b> .	30
<b>40</b>	<b>Review of representation arrangements following conduct of poll</b>	
	<i>Poll resulting in “Yes” vote</i>	
(1)	<b>Subclauses (2) and (3)</b> apply to a group 1 or group 2 local authority if 50% or more of the valid votes cast in a poll held by the local authority as required by <b>clause 39</b> are “Yes” votes.	35

Local Government (Electoral Legislation and Māori  
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(2)	The local authority must follow the process set out in Schedule 1A of this Act in the 2025 to 2028 electoral term if it has not completed a representation review since the 2022 triennial general election.	
(3)	The local authority may continue its existing representation <del>review</del> arrangements in the 2025 to 2028 electoral term if it has completed a representation review since the 2022 triennial general election.	5
	<i>Poll resulting in “No” vote</i>	
(4)	If more than 50% of the valid votes cast in a poll held by a group 1 or group 2 local authority under <b>clause 39</b> are “No” votes, the local authority—	
	(a) must complete a representation review in the 2025 to 2028 electoral term; and	10
	(b) must not follow the process set out in Schedule 1A in the 2025 to 2028 electoral term.	
(5)	<b>Subclause (4)</b> applies despite section 19Z(3)(c).	
	<i>Group 1 and group 2 local authorities:</i>	
	<i>extension to 31 July 2024 deadline for initial representation review proposals</i>	
<b>41</b>	<b>Application of clauses 42 to 44</b>	
	<b>Clauses 42 to 44</b> apply—	
	(a) only if they commence on or before 31 July 2024; and	
	(b) only to a group 1 or group 2 local authority that is required to pass a resolution under section 19H, 19I, or 19J by 31 July 2024 but has not passed the resolution by that date.	20
<b>42</b>	<b>Extension of time for passing initial representation review resolution</b>	
	A local authority to which this clause applies may pass the resolution referred to in <b>clause 41(b)</b> by 13 September 2024.	25
<b>43</b>	<b>Local authority using extended time must follow shortened representation review process</b>	
	A group 1 or group 2 local authority that passes a resolution in accordance with <b>clause 42</b> must undertake a shortened review of its representation arrangements in accordance with the requirements of <b>clauses 23 to 27</b> .	30
<b>44</b>	<b>When next representation review required</b>	
	A group 1 or group 2 local authority that undertakes a shortened review under <b>clause 43</b> must undertake its next review of representation arrangements in accordance with the requirement under section 19H(2)(b) or 19I(2)(b) (whichever applies).	35

Schedule	<b>Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill</b>	
	<i>Provisions applying to Tauranga City Council</i>	
<b>45</b>	<b>Application of clauses 46 to 50</b> <b>Clauses 46 to 50</b> apply to Tauranga City Council (the <b>Council</b> ).	
<b>46</b>	<b>Council may resolve to disestablish Māori ward</b> The Council may, by 30 November 2026, resolve to disestablish (for the 2028 triennial general election onwards), its Māori ward.	5
<b>47</b>	<b>Effect of resolution to disestablish</b>	
(1)	A resolution of the Council to disestablish its Māori ward under <b>clause 46</b> does not affect—	
(a)	any decision of the Council made after the Council’s 2021 resolution under section 19Z that its district be divided into its Māori ward (the <b>2021 resolution</b> ); or	10
(b)	elections held since the 2021 resolution and before the commencement date.	
(2)	A resolution of the Council to disestablish its Māori ward applies for the next 2 triennial general elections of the Council.	15
<b>48</b>	<b>Council must hold binding poll if it does not resolve to disestablish Māori wards</b>	
(1)	This clause applies if the Council does not, by 30 November 2026, resolve to disestablish its Māori ward.	20
(2)	The Council must, by 28 March 2027, hold a poll on the question whether the district should be divided into 1 or more Māori wards.	
(3)	The poll must be held in accordance with the requirements in <b>clause 49</b> .	
<b>48A</b>	<b><u>Application of limitation on division into Māori wards</u></b> <b><u>Section 19ZE</u></b> applies as if a poll held under <b>clause 48</b> on the question specified in <b>clause 48(2)</b> were a poll on a proposal described in <b>section 19ZE(a)</b> held under <b>section 19ZF</b> .	25
<b>49</b>	<b>Requirements for binding poll</b>	
(1)	The Council chief executive must notify the electoral officer, by 1 December 2026, of the date on which the poll under <b>clause 48</b> is to be held.	30
(2)	The date specified for the holding of the poll must not be a date that would require deferral of the poll under section 138A.	
(3)	The electoral officer must give public notice of the poll under section 52 as soon as practicable after receiving the notice under <b>subclause (1)</b> .	
(4)	The poll must be conducted using the First Past the Post electoral system.	35

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(5)	The poll must be held in accordance with the provisions of Parts 2, 3, 4, 7, and 8 of this Act that concern the conduct of a poll.	
<b>50 Effect of poll</b>		
(1)	If 50% or more of the valid votes cast in the poll are “Yes” votes, the Council must follow the process set out in Schedule 1A in the 2025 to 2028 term.	5
(2)	If more than 50% of the valid votes cast in the poll are “No” votes, the Council must not follow the process set out in Schedule 1A.	
(3)	<b>Subsection (2)</b> applies despite section 19Z(3)(c).	
(4)	The outcome of the poll determines whether, for the next 2 triennial general elections of the Council, the district is to be divided into 1 or more Māori wards.	10
(5)	<u>The outcome of the poll must be included in the Council’s 2027 representation review.</u>	
<i>Guidelines</i>		
<b>51</b>	<b>Commission must issue guidelines for resolutions and determinations under transitional provisions</b>	15
(1)	The Commission must issue guidelines identifying factors and considerations for group 1 and group 2 local authorities to take into account in passing resolutions and making determinations referred to in the provisions of this Part.	
(2)	The Commission may, from time to time, amend or revoke guidelines issued under <b>subclause (1)</b> .	20
(3)	Guidelines issued under <b>subclause (1)</b> may relate to group 1 or group 2 local authorities generally or to a specific class of those authorities.	
(4)	The Commission must, as soon as practicable after issuing guidelines under <b>subclause (1)</b> ,—	25
	(a) send a copy of those guidelines to every group 1 and group 2 local authority; and	
	(b) publish in the <i>Gazette</i> a notice—	
	(i) stating that the guidelines have been issued; and	
	(ii) naming the place or places at which copies of the guidelines are available for inspection free of charge or for purchase at a reasonable price.	30
(5)	<b>Subclauses (3) and (4)</b> apply, with all necessary modifications, in respect of any amendment to or revocation of guidelines issued under <b>subclause (1)</b> .	



**Local Government (Electoral Legislation and Māori  
Wards and Māori Constituencies) Amendment Bill**

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**Legislative history**

20 May 2024  
23 May 2024

Introduction (Bill 46–1)  
First reading and referral to Justice Committee

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Wellington, New Zealand:

Published under the authority of the House of Representatives—2024



**Date:** 6 April 2021

**Subject:** **Establishing a Māori Constituency**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2732151

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### **Purpose**

1. The purpose of this memorandum is to consider submissions on the establishment of a Māori Constituency, to hear those submitters who wish to speak to their submission and then to make a decision on the establishment of a Māori Constituency.

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the memorandum *Establishing a Māori Constituency*
- b) receives and acknowledges with thanks the submissions forwarded in response to the establishment of a Māori Constituency and notes the range of views expressed therein
- c) hears and acknowledges with thanks the verbal submissions presented in response to the establishment of a Māori Constituency
- d) resolves to create a Māori constituency for the 2022 local authority elections
- e) notes that if a decision is made to create a Māori constituency, that a representation review will need to be undertaken and asks the Chief Executive to report back to a future meeting with a project plan for the completion of such a review
- f) determines that this decision be recognised as significant in terms of section 76 of the *Local Government Act 2002*
- g) determines that it has complied with the decision-making provisions of the *Local Government Act 2002* to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determines that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

## Background

2. Parliament has recently changed the law in relation to Māori constituencies through the enactment of the *Local Electoral (Māori Wards and Constituencies) Amendment Act 2021* (the Act).
3. The Act amends the *Local Electoral Act 2001* to:
  - align the treatment of Māori constituencies with general constituencies
  - remove all mechanisms for binding polls to be held on the establishment of Māori constituencies
  - provide local authorities with an opportunity to make decisions on Māori constituencies, in light of the above, in time for the 2022 local elections.
4. In August 2020, the Council considered the issue of Māori constituencies for the 2022 local authority elections. At that time, the Council resolved to not introduce a Māori constituency and not to undertake a representation review. However, the Council also resolved to undertake consultation and engagement with the Iwi of Taranaki ahead of the 2025 local authority elections.
5. Some of the areas addressed by the Act were contributing factors in the position reached by the Council. With the passing of the Act, the Council had the opportunity to review the decision that it made in August 2020. If Council were to review its position and propose the creation of a Māori constituency, it would need to make a new decision by 21 May 2021.
6. In February 2021, the Council resolved to confirm the creation of a Māori constituency as its preferred option and undertake an abbreviated consultative procedure then make a decision on whether to create a Māori constituency for the 2022 local authority elections at the 6 April 2021 Ordinary Meeting. This agenda item allows for the consideration of submissions on the establishment of a Māori Constituency, for the hearing of those submitters who wish to speak to their submission and then for the making of a decision on the establishment of a Māori Constituency.

## Issues

7. This agenda item allows for the making of a decision on the establishment of a Māori Constituency.
8. This agenda item does not consider matters relating to the number of members, the number of constituencies, the boundaries of constituencies nor the population or electoral population of constituencies. These matters will be addressed in the subsequent representation review.

## Discussion

9. Having resolved to confirm the creation of a Māori constituency as its preferred option and to undertake an abbreviated consultative procedure to then make a decision on whether to create a Māori constituency for the 2022 local authority elections at the 6 April 2021 Ordinary Meeting, the abbreviated consultation period occurred from 1 March to 19 March 2021.
10. A consultation document was prepared and made available on the Council's website and upon request. Information sheets were published in the midweek free newspapers

throughout the region. A social media campaign was completed. Iwi stakeholders were advised on the process for making submissions and having their views heard.

11. A total of 383 submissions were received. These can be summarised as follows:

	Total		New Plymouth & North Taranaki Constituencies		Stratford Constituency		South Taranaki Constituency		Unspecified		Out of the region	
Yes	211	55%	164	62%	11	37%	30	38%	0	0%	6	86%
No	172	45%	101	38%	19	63%	48	62%	3	100%	1	14%

12. There were a number of common themes presented by both sides of the argument. Those supporting the creation of a Māori constituency argued that:

- the decision is consistent with the obligations of the *Local Government Act 2002* to provide opportunities for Māori to contribute to decision making
- the decision is consistent with the obligations of the Treaty of Waitangi - Te Tiriti o Waitangi
- having a diverse body of councillors brings richer knowledge, robust debate, broader perspective and better decision making
- Māori have been poorly served by local authorities
- Māori have been under represented in both central and local government
- New Plymouth and South Taranaki district councils have decided to create Māori wards
- it's the right thing to do
- it's democratic.

13. Those against the creation of a Māori constituency argued that:

- electors have already spoken against a Māori constituency through the poll in the New Plymouth District Council area
- the decisions by regional council should be guided directly by all Iwi not by one elected councillor who may not respect their views
- Māori can be elected onto the Regional Council like anyone else
- everyone should be treated as equal - a separate Māori constituency is racist
- the decision to create a Māori constituency will divide the community
- it's the wrong thing to do
- it's undemocratic.

14. As the *Local Electoral Act 2001* stands, those electors on the Māori electoral role can only vote for candidates in Māori constituencies and those electors on the general electoral role can only vote for candidates in general constituencies. Some submitters were looking to retain the ability to vote in both Māori and general constituencies. This is not

possible under the current legislation. A further legislative change would be required to accommodate this request.

15. In February 2021, the Council established its preferred position in support of the creation of a Māori constituency for the 2022 local government elections. Based on the results of the written submissions and engagement undertaken, it is recommended that this preferred position become the final decision. It is noted that at the time of writing this report staff had not had the benefit of hearing oral submissions. The next step to undertake is to hear the oral submissions and deliberate on all the submissions received. After this process, the recommended decision can be reviewed or amended.
16. A decision to establish a Māori constituency will necessitate the Council undertaking a representation review. The representation review will address issues in relation to:
  - the number of constituencies
  - the boundary of each constituency
  - the number of members in each constituency.
17. There is an ability for the public to have their say, on these matters, during the representation review process.

## Options

18. The Council can consider two options. These include the following:
19. Status quo. The Council decides not to have a Māori constituency for the 2022 elections. The matter will be addressed again in three years when the next representation review is due to be completed.
20. Make a decision to have a Māori constituency. The Council can resolve to have a Māori constituency for the 2022 elections. There is no provision for a poll as there has been in the past and the Council moves directly to a representation review.
21. In considering the options, it is important to recognise the significant shift in government policy, the view we have heard from our iwi committee members and other iwi reps through engagement processes and the importance of Council forming a strong relationship through for example, *Essential Freshwater* reform and upcoming RMA reform. These are all factors driving a sizeable change in the relationship we need with Māori and it is appropriate that Council consider these issues.
22. The following table outlines the various options and the advantages and disadvantages of the two options:

Option	Advantages	Disadvantages
<p>Status quo. The Council decides not to have a Māori constituency for the 2022 elections.</p>	<p>Sections of the community remain opposed to the creation of a Māori constituency. Council has heard that some sections of the community are opposed to the creation of a Māori constituency.</p>	<p>Sections of the community support the creation of a Māori constituency. Council has heard that some sections of the community are supportive of the creation of a Māori constituency.</p> <p>Māori participation in local-authority decision-making processes is not facilitated.</p> <p>The Council’s decision runs contrary to Government’s policy intentions as outlined in legislative changes and other policy initiatives such as the fresh water NPS and NES, proposed RMA reform etc.</p> <p>The Council’s decision runs contrary to the views expressed by iwi and our iwi committee representatives.</p> <p>The importance of Council forming a strong relationship with iwi through for example, Essential Freshwater reform and upcoming RMA reform is negated.</p>
<p>Make a decision to have a Māori constituency.</p>	<p>Sections of the community support the creation of a Māori constituency. Council has heard that some sections of the community are supportive of the creation of a Māori constituency.</p> <p>The Council is signalling to the Māori community that it is fully committed to a Māori constituency and increasing their involvement in Council decision-making processes.</p> <p>Māori participation in local-authority decision-making processes is facilitated and enhanced.</p> <p>The Council’s decision is consistent with Government’s policy intentions as outlined in legislative changes and other policy initiatives such as the fresh water NPS and NES, proposed RMA reform etc.</p> <p>The Council’s decision is consistent with the views expressed by iwi and our iwi committee representatives.</p> <p>The importance of Council forming a strong relationship with iwi through for example, Essential Freshwater reform and upcoming RMA reform is enhanced.</p>	<p>Sections of the community will remain opposed to the creation of a Māori constituency. Council has heard, that some sections of the community are opposed to the creation of a Māori constituency.</p>

### **Significance**

23. In terms of the *Significance and Engagement Policy*, the decision is assessed as being significant. This assessment is based on the following criteria:
- the issue will affect a large number of residents and ratepayers to a moderate extent.
  - the issue will potentially generate wide public interest within the region.

### **Financial considerations—LTP/Annual Plan**

24. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice. There are no significant financial implications associated with this decision.

### **Policy considerations**

25. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

26. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Iwi have had the opportunity to present their views on the establishment of a Māori Constituency, which is appropriate given the principles in section 14.

### **Community considerations**

27. Under section 78 of the *Local Government Act 2002*, the Council is required to consider the range of views and preferences of people likely to be affected by or have an interest in a matter. In this regard it is noted that each of the Iwi authorities have expressed support for the creation of a Maori constituency.
28. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum. In particular, the community has had an opportunity to present their views on the establishment of a Māori Constituency via the consultation process which are summarised in this report.

### **Legal considerations**

29. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

30. A significant decision requires Council to ensure that it has appropriately observed the decision-making provisions in the Local Government Act 2002. Staff believe that it is reasonable for Council to determine that it has met these requirements, having regard to the tight timeframe within which a decision needs to be made, that the community have been provided with the opportunity to express their views and that Council has considered the advantages and disadvantages of the options available.

**Appendices/Attachments**

Doc 2743668 – Timetable of submitters wishing to be heard

Doc 2743687 - All submissions received



## Public Excluded Recommendations – Ordinary Council 6 August 2024

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987, resolves that the public is excluded from the following part of the proceedings of the Ordinary Council Meeting on 6 August 2024 for the following reason/s:

The matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

Item 16:

Confirmation of Public Excluded Ordinary Council Minutes – 25 June 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 (a) and [section 7](#) (2) (a) and (2) (g) of the Local Government Official Information and Meetings Act 1987.

Confirmation of Public Excluded Executive Audit and Risk Minutes – 29 July 2024

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; and/or enable any local authority holding the information to carry out, without prejudice, commercial activities.



**Kia uruuru mai**

***Karakia to close meetings***

Kia uruuru mai	Fill me with
Ā hauora	Vitality
Ā haukaha	Strength
Ā haumaia	Bravery
Ki runga, Ki raro	Above, below
Ki roto, Ki waho	Within, outwards
Rire rire hau	Let the wind blow and bind
Paimārie	Peace upon you

**Nau mai e ngā hua**

***Karakia for kai***

Nau mai e ngā hua	Welcome the gifts of food
o te wao	from the sacred forests
o te ngakina	from the cultivated gardens
o te wai tai	from the sea
o te wai Māori	from the fresh waters
Nā Tāne	The food of Tāne
Nā Rongo	of Rongo
Nā Tangaroa	of Tangaroa
Nā Maru	of Maru
Ko Ranginui e tū iho nei	I acknowledge Ranginui above and Papatūānuku
Ko Papatūānuku e takoto ake nei	below
Tūturu o whiti whakamaua kia	Let there be certainty
tina	Secure it!
Tina! Hui e! Taiki e!	Draw together! Affirm!

## AGENDA AUTHORISATION

Agenda for the Ordinary Council Meeting of the Taranaki Regional Council held on Tuesday 6 August 2024.

Approved:

Not Cast

M J Nield  
Director Corporate Services



30 Jul 2024 2:13:45 PM GMT+12  
Approved:

S J Ruru  
Chief Executive