

SUBMISSION ON APPLICATIONS FOR RESOURCE CONSENTS FOR THE CENTRAL PLAINS WATER SCHEME

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INTRODUCTION

Our submission deals with the effects of the C P W Scheme on the 380,000 people living between the Rakaia and Waimakariri Rivers. We consider that, in view of the very large population involved, these effects should be regarded as the most important effects of the proposed Scheme. Attached to our submission is an appendix consisting of supporting articles and information. In this submission appendix numbers are shown in brackets. For example (A.1).

This hearing is part of a water allocation process which is based on the assumption that water is a waste resource which can be given away to anyone who wants it. This assumption is not correct and the water resources between the Rakaia and Waimakariri Rivers belong to the 380,000 people who live in the area. These people have never been consulted about their water being given away. They have never said that they are willing to accept a reduction in the quality and quantity of water they use every day. Nor have they said that they are willing to accept the inherent risks to their health and general well being.

The problems with the water allocation process were acknowledged in an editorial in The Press dated 15 March 2008. This stated that the current allocation process was flawed and said that a new allocation process should be developed based on the long term interest of the entire region. The Press called for an inquiry into the future use of water in Canterbury.

While this hearing must proceed on the basis of current policies and legislation, we think that the shortcomings of the water allocation process need to be borne in mind when decisions are being made.

IMPORTANT CONSIDERATIONS

The basic situation here is that 380,000 people are being expected to sacrifice a plentiful supply of pure, safe and inexpensive water in order to help a few hundred farmers make a lot of money.

Those who stand to make huge profits by exploiting water have been able to spend millions of dollars preparing their case and employing experts who have been willing to say whatever they want them to say. In contrast to this the 380,000 people living in the area have not had their interests properly represented and they have not had large sums available to spend on experts. The Christchurch City Council should have put forward a strong case to protect the interests of its residents but it has had a compromised position due to having spent a lot of money promoting and supporting the scheme.

Christchurch is the second largest city in New Zealand and if the Scheme goes ahead it seems destined to end up with a restricted supply of contaminated water. The health warning signs up along the Selwyn River and the health problems suffered by the residents of Springston, 26 km south west of Christchurch, are a good indication of what is likely to happen to Christchurch in future.(A.1)(A.2) Experiences elsewhere in Canterbury and overseas are also an indication of what will happen. There has never been a case anywhere in the world of contamination of an aquifer being reversed so risks should not be taken.

The effects on the 380,000 people living in Christchurch and the Selwyn area must rank far ahead of the effects on some farmers, recreational groups, conservationists and others who combined make up only a tiny percentage of the population of the area.

The C P W Trust is required, in terms of its charitable status and its founding documents, to act solely in the public interest. It is required to ensure complete protection of the environment and 'no damage to CCC water supply aquifers' but it has ignored these requirements and has acted as a puppet of the company. The onus has now been put on the Commissioners to protect the interests of all the people living in the area.

The application being considered contains a huge number of uncertainties, assumptions, unknowns and a lot of wishful thinking. Much has been made of a Sustainability Protocol but little reliance can be placed on it when it is considered that 60% of Canterbury farmers have ignored Resource Consent conditions and few have bothered to comply with other measures which were introduced to try and help protect waterways.(A.3)

In this case, the CPW Trust would not be able to ensure that farmers comply with Resource Consent conditions.

Another problem is that once construction has been completed it may be found that it is not possible to comply with some Resource Consent conditions so then an application is made to vary these conditions. This has happened with the Kakahu Irrigation Scheme in South Canterbury. Once huge sums have been spent on infrastructure it becomes very difficult to resist requests to water down environmental protection.

The commissioners are being asked to gamble with the lives of the 350,000 people living in Christchurch and the 30,000 people living in the Selwyn area. We consider that the risks relative to the size of the population are too great to allow the scheme to go ahead.

CURRENT ENVIRONMENTAL DAMAGE RESULTING FROM IRRIGATION

At present 80% of lowland streams and rivers in Canterbury are contaminated and health warning signs have been erected at previously popular picnic spots. (A.2) It is dangerous to come in contact with water and there are very few fish left for those who want to go fishing.

Rivers and streams are drying up, including those in Christchurch.

Rural residents are having to pay tens of thousands of dollars to extend the depth of wells on their properties because they have run dry or have unsafe water.

Salt water is getting into depleted aquifers serving Christchurch and some nearby rural residents.

Canterbury Councils have objected to paying \$10 billion to clean up the Canterbury environment so anything which will create further environmental damage should not be permitted. (A.4)

CURRENT HEALTH PROBLEMS RESULTING FROM IRRIGATION

Health problems caused by contaminated water in Cheviot, Ashburton and other parts of Canterbury have been well publicised. South Canterbury has the highest rate of campylobacter in the world.

The residents of the town of Springston, which is situated 26 km south west of Christchurch, have had problems with the quality of their water for several years and they have been advised to boil water at different times. This is an indication of what could happen in Christchurch if further irrigation takes place.(A.1)

The Christchurch City Council is spending a lot of money to try and get residents to conserve water because near the coast salt water is now able to get into the depleted aquifers and because the water from the west which helps recharge the aquifers is gradually declining in quality and quantity. (A.5) The situation is bound to get a lot worse because CPW Ltd has applied to take up to 51 times more water than is taken by the Christchurch City Council. (A.6)

Between 1 January 2006 and 31 May 2007 the Christchurch City Council had 60 E coli incidents requiring chlorination.

ENVIRONMENTAL EFFECTS OF THE SCHEME

Experience here and overseas shows that dairying and intensive farming involving large quantities of water, fertilisers and animal effluent will badly damage the environment and affect the quality and quantity of water available to residents in surrounding areas. (A.7 & A.8)

CPW Ltd claims that during the irrigation season irrigation water will dilute the current level of contamination of rivers, streams and aquifers. They base this claim on the following flawed assumptions:-

1. Reliance is placed on an outdated prediction that there will be 60% dairying and 40% arable farming. This is a higher proportion of dairying than at present but now that the economic returns for dairying far exceed those for any other land use activity, it is more likely that 90% of the irrigated area will be used for dairying and intensive livestock farming. As a result the contamination caused by animal effluent and fertilisers will double. This means that during the irrigation season the volume of contaminated water getting mixed in with pure water will double. Therefore, the contamination will be more concentrated than at present.

Another way of looking at this is to say that at present a pot of pure water is being contaminated by a glass full of contaminated water. If the CPW Scheme goes ahead another glass full of contaminated water will be added to the pot so there will be a higher proportion of contaminants in the pot.

2. They assume that rivers are like a pipe taking water from the mountains to the sea. The reality is that water from under the riverbed spreads underground over a wide area and if some of this water is lost, ground water levels will decline. The lower water levels will later be topped up by contaminated water.

3. It is assumed that most of the water taken will end up back in the system. However, if water is diverted into a storage lake then a lot of stored water will evaporate. After stored water is taken up by grass and animals only a small proportion of the water originally taken will end up back in the system.

4. CPW Ltd claim that contaminated water will go straight down into deep aquifers which, according to unprovable theories, flow away from Christchurch. However, the Canterbury Plains are made up of porous layers of shingle which have been deposited by rivers moving from side to side over millions of years. The result is that the aquifers at different levels allow water to flow in different directions.

The aquifers which are nearer the surface and are currently being rapidly emptied, flow mainly towards Christchurch. It seems probable that contaminated water will fill these up and end up in Christchurch aquifers. While some aquifers tend to be more confined than others, there is no impermeable wall protecting Christchurch.

The Quarry Manager for Fulton Hogan, Alan McDowell, has advised us that at their quarry on the outskirts of Christchurch they used to find that the water table would fall during the warmest months of the year. Now they find that when the irrigation season starts the water table begins to rise. This clearly demonstrates that contaminated irrigation water flows towards Christchurch.

HEALTH EFFECTS OF THE SCHEME

1. The health effects on Christchurch City and rural communities of drinking water contaminated by animal effluent, fertiliser chemicals, nitrates, bacteria, protozoa and viruses, (A.9 - 20)
2. The health effects of having to introduce chlorine into drinking water. If contaminated and chlorinated water does not taste good, people will spend a lot of money on bottled water or turn to drinks which may have artificial flavouring, colouring and sweetening. These ingredients and high sugar levels lead to many health problems.
3. The health effects of water shortages during part of the year on the residents of Christchurch and rural communities.
4. The health effects of the introduction of water charges to pay for filtration and chlorination plants and to discourage the use of water. The average family in Auckland City pays water rates of about \$1000 p.a. and this could end up happening in Christchurch where at present there are no water rates. High water rates could affect the amount of water used for washing, cleaning and general hygiene.
5. The health effects which would be caused by a huge increase in fertilisers mixed with irrigation water. These include health problems caused by increased nitrates from urea, increased fluorides from super phosphate and damage done by a range of corrosive chemicals. (A.9)
6. The health effects of huge quantities of animal effluent lying around west of Christchurch, including the increased transmission of diseases by flies and drinking water. An article appeared on this subject in the N Z Medical Journal (A.10)
7. The recreational effects of increased contamination of streams and rivers, some of which already have health warning signs on their banks. (A.2) Beaches could become unsuitable for swimming due to contamination or marine vegetation which has grown rapidly after feeding on nutrients washed down rivers. (A7-8)

NEGATIVE ECONOMIC EFFECTS OF THE SCHEME

1. A report by international accounting firm, KPMG, for CCC and a number of submissions have cast doubt on the economic benefits predicted. Such predictions are notoriously unreliable and difficult to substantiate.

2. If an assessment is made of the after tax profits of dairy farmers, their suppliers and processors of their products the extra income generated is far lower than the applicants have calculated.

3. The job gains predicted from unsustainable land use will create further environmental damage and will help destroy our clean green image. These job gains will be offset by loss of jobs in the tourism industry and in some export industries who benefit from our clean green image.

4. The general population would suffer economic losses as a result of having to pay higher rates for the purchase of filtration and chlorination plants. They would also have to start paying water rates for water used.

5. The cost of dealing with environmental damage could be huge. Already, local Councils in Canterbury have objected to the proposal that they pay up to \$10 billion to clean up current environmental damage.(A.4)

6. Those who do not like contaminated and chlorinated water would have to buy bottled water or flavoured drinks.

7. Ratepayers might have to pay for the Council obtaining an alternative source of water as predicted by the CCC. (A.5) With all of the water in Canterbury contaminated a pipeline from the West Coast might be required. Other options could be to buy water from farmers or recycle sewer water as is happening in Perth and Queensland.

8. The high incomes enjoyed by dairy farmers are boosted by the fact that they do not have to pay for water or for the environmental damage they do. The Reserve Bank has partly attributed high mortgage interest rates to high dairy farmer incomes. These extra costs impact on both homeowners and those renting.

9. Once having been given water by the community, farmers will not be willing to give it back when water problems arise due to climate change, contamination and other factors. The community may have to pay huge amounts to get back the basic water they require as has happened in parts of Australia.

10. Rivers will not flush out so riverbeds will build up and ratepayers will have to pay for extra stopbanks to be built in order to reduce the risk of major flooding.

11.The scheme is not essential for the economic development of Christchurch and mid Canterbury. Overseas experience has shown very clearly that irrigation and intensive livestock farming is not sustainable and there are better ways of expanding rural economic activity.

12. The economic costs of a variety of extra charges and costs, health problems and inconvenient restrictions could be assessed at \$20 per week per person or \$1040 p. a. This works out to an annual negative cost of about \$400 million.

ASSURANCES AND COMPLIANCE

Environmental damage in various parts of the country shows that past assurances given by farmers and the experts they employed should not have been relied on.

Requests by Fonterra and Federated Farmers for farmers to make small changes to improve the environment have not been successful.

The Clean Streams Accord which is only voluntary has been ignored by most farmers.

Sharemilkers want to make as much money as possible in order to buy their own farm so they usually have little interest in spending time and money protecting the local environment.

The Canterbury Regional Council and other Councils have found that the majority of farmers do not bother to comply with Resource Consent conditions when they know that enforcement action is unlikely or will only result in a small fine.

We do not think that voluntary compliance works and the Sustainability Protocol developed by the Company is bound to fail. The Trust should have insisted on substantial penalties to act as a deterrent.

If the Company genuinely believes that the Scheme will not damage the environment and will not adversely affect the well being of all residents, then it should be willing to require shareholders to provide personal guarantees and it should be willing to shut down the Scheme if significant problems arise.

FAILINGS OF THE APPLICANT

The applicant is a charitable trust set up for the benefit of the 380,000 people living between the Rakaia and Waimakariri Rivers. As a charitable trust it must act for the benefit of the public and this fact is backed by the provisions of a Memorandum of Understanding and the Trust Deed.

Most of the people who applied to become trustees and were appointed were connected to C P W Ltd or had other conflicts of interest.

Before taking any action the trustees should have commissioned an independent inquiry into whether the C P W Scheme was in the best interests of the public. Instead of doing this, the trustees entered into an Agreement with C P W Ltd to act on behalf of the company when applying for Resource Consents and agreed to use the information supplied by the Company. It is a well established fact that expert witnesses say what their client wants them to say so all the evidence supplied by the Company for the Trust to present was designed to further the interests of shareholders and not the general public. The Company has had millions of dollars to put into helping the Trust get the decision which the Company wants. In contrast to this, community groups have had to rely on voluntary contributions of time and resources to help highlight how the Scheme will adversely affect the community and the environment.

In reports prepared for the Councils the Trust states that it receives no funding other than from shareholders of the Company. All its statements follow the Company line about the benefits of the Scheme and Community concerns are dismissed as 'spurious misinformed comments.' If the trustees were acting strictly for the benefit of the public they would take community concerns very seriously and investigate them thoroughly using independent experts. They should not now be prepared to accept negative impacts on most of the community even if Company paid experts claim that these can be minimized or mitigated.

The trustees have ignored their duties to protect the public interest and have gone into bat for private interests. The Trust has comprehensively failed to act for the benefit of the public and from the start has simply been a puppet of the company.

It has been left to the RMA process to assess whether the Scheme is in the best interests of the very large population of mid Canterbury. This is most unsatisfactory because the RMA process has different objectives. The onus has now been put on the Commissioners to do what the trustees have failed to do. If this is to be done the following requirements from the Trusts founding documents remain in force and should be taken into account when making a decision.

MEMORANDUM OF UNDERSTANDING REQUIREMENTS

Enhancement of ecological and recreational values.

All detrimental effects to be satisfactorily mitigated.

To mitigate all environmental, social and cultural impacts.

Ensure long term protection of the region's water resources.

Ensure the responsible and sustainable use of water resources.

Enhancement of the environment.

The use, development and protection of the region's water resources so as to provide for the social, economic and cultural well being of the inhabitants of the region.

Ensure the enhancement of or at least no damage to or a neutral effect on CCC water supply aquifers.

Long term sustainability of water resources.

TRUST DEED OBJECTIVES

The Trust is a Charitable Trust for the benefit of present and future inhabitants of the regions.

(a) To promote sustainable development of water resources

(b) To facilitate opportunities for agricultural and horticultural diversity

(c) To facilitate education on water issues affecting the regions

(d) To balance enhancement of economic benefits with enhancement of ecological, social and recreational values

The objects of the Trust are and shall be charitable and shall not include or extend to any matter or thing which is or shall be held or determined to be non charitable. Any private benefit which is conferred on any individual or individuals must be incidental to the pursuit by the Trust of the objects.

COURT DECISIONS ON CUMULATIVE EFFECTS AND PRECAUTIONARY APPROACH

Two court decisions in the past year could be relevant to the decisions to be made.

In *N Z Mushrooms v Waikato Environment Protection Society and J Gray* the Environment Court decided that cumulative effects of an activity could be taken into account.

In *Coromandel Watchdog v N Z Mineral Associates and Ministry of Economic Development* the Court of Appeal found that where a planning authority had insufficient information about a proposed policy or rules, a precautionary approach can be taken in terms of Section 32 (4)(b)