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**TRANSCRIPT OF PROCEEDINGS**

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**MARLBOROUGH SALMON RELOCATION ADVISORY PANEL  
PUBLIC HEARING**

**HELD AT  
MARLBOROUGH CONVENTION CENTRE,  
42A ALFRED ST, BLENHEIM,  
ON 1 MAY 2017**

Appointed Panel Members:  
Professor Peter Skelton, CNZM (Chairperson)  
Mr Ron Crosby  
Mr Alan Dormer, MNZM

[11.39 am]

CHAIRPERSON: Good morning, everybody. This hearing of the salmon relocation proposal is resumed and I first of all apologise for the late commencement of this hearing today, which has been brought about by some difficulties in relation to travel arrangements for one of our members. But we're all here now and we will sit today to complete the list of people who have been scheduled to be heard today, even if that takes us beyond the normal hearing time. So I apologise for the delay but those who are set down for hearing in the schedule today will be heard.

So we'll begin today's hearing with the French Pass Residents Incorporation, Laurence Etheredge.

MR ETHEREDGE: Good morning.

(off mic conversation)

CHAIRPERSON: Thank you. Are these two different, are they? Yes, thank you, Mr Etheredge, would you continue?

MR ETHEREDGE: Yes. Apologies, every time I revisit this issue I keep trying to squeeze it into a smaller package and finding new ways to --

CHAIRPERSON: Just wait. Can people hear? No.

MR ETHEREDGE: Okay. Sorry, my apologies for --

CHAIRPERSON: Yes, I think if you could position yourself right in front; yes, behind --

MR ETHEREDGE: Okay. How is that?

CHAIRPERSON: Is that better?

MR ETHEREDGE: Okay. I just want to offer my apologies. Every time the opportunity comes for me to focus on what I'm going to say, I keep seeming to condense it into fewer words, so perhaps that will be helpful.

As I see it, there are two fundamental issues involved that the Advisory Panel must consider: first of all, the tension between perceived economic benefits and perceived adverse environmental effects and, secondly, the appropriateness or otherwise of the use of section 360A of the Resource Management Act to overpower existing rules concerning the use of public space.

5 In my previously submitted notes, I have drawn the Panel's attention to two book reviews - one in the London Review of Books and the other in the Guardian - that illustrate the relationship between the economy and the environment that western society has only recently begun to acknowledge and appreciate.

10 In the London review of the Capitalocene, by Benjamin Kunkel, a fundamental concept is presented that, while seemingly obvious, is nevertheless often absent from resource management decision-making. That is, that the environmental cost of extracting product from the natural world does not figure into current economic theory, but is in fact accumulating and will have to be paid at some point. It is not just a matter of balancing economic activity with environmental effects. It is a recognition that adverse environmental effects have a real cost, that they are cumulative and that they are going to come around for payment, with interest, some day.

15 Just to use an example, climate change was being talked about back in the 1970s. No one was listening and then even the Bush administration - the American President administration - did not acknowledge that climate change existed, and even the current President doesn't acknowledge that it exists. But 99.9 per cent of scientists in the world acknowledge that climate change is a real thing happening and must be addressed.

20 The earth has a limited capacity to absorb the deleterious effects of human activity. Neither this article nor the books being reviewed offer a particular solution. Capitalism seems to be the only thing we know how to do. But I would like to make this point. We are going to have to change the way we do things if we are going to avoid turning the earth into a very much less hospitable place to live than the one that we enjoy today.

25 **[11.45 am]**

30 We don't realise how fortunate we are. Profit, GDP, and jobs that will enable more people to consume more goods and services are a poor formula for delivering quality of life, as the state of the world clearly demonstrates. Moreover, it is incumbent upon each one of us to acknowledge this fact that we have accepted as normal that each person should pursue his own interest, constrained only by laws that have been established to prevent only the most immoral behaviour. We are not our brother's keeper. We do not find it strange that New Zealand King Salmon should make a profit at the expense of the environmental health of the Marlborough Sounds. This is because it is all we know.

We do as our fathers have done and their fathers before them, but this just may not be enough to ensure our survival as a species. We have to ask ourselves, "What good thing can we be doing to make real progress in the world?"

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I made mention in one of my earlier submissions of the Tesla company, which is making electric cars and has not produced a profit yet and has become the most valuable automobile company in the United States, and I think, "Why can we not have other industries that have that same kind of vision?"

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Salmon farming in the Marlborough Sounds is an extractive industry that accepts environmental degradation as an unavoidable consequence of its activity. For this it pays nothing. But future generations - and not all that far in the future - will pay the cost. It is time that we, as a society, took tangible steps to change the course of our destructive trajectory.

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The newly published book *Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist*, by the Oxford economist Kate Raworth, offers an alternative way of thinking about measuring economic activity that more closely reflects the realities of environmental effects and those things that contribute to quality of life.

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The second fundamental issue is the use of section 360A of the RMA as an alternative to community driven decision-making. New Zealand King Salmon has been here not that long ago, seeking to expand its production by increasing the number of farms in the Marlborough Sounds. A board of enquiry was established to hear the issue, and a long, drawn out and passionately contested debate was heard involving over 1,000 submissions and costing, all together, some millions of dollars and a great deal of anxiety. Four farms were granted consent - the other five sought being denied - and then the Supreme Court ruled against consent for one of those granted, leaving King Salmon with three newly consented farms. Now here we are again, just a few years later, going through a similar process, with greater constraints upon public participation, in which New Zealand King Salmon is again seeking to expand production.

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Why is the government supplanting the local council in addressing these issues? The appointment of a Board of Inquiry was already a way of taking control out of the hands of the local authority, and even its findings are now being disregarded in this proposal. It may be that local government is more sensitive to environmental concerns than central government, which has an economic agenda and does not see the other factors at play in this process. Because of this kind of behaviour, local residents tend to regard government as being politically motivated and not really interested in the lives of ordinary

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people.

5 In conclusion, French Pass Residents are opposed to the relocation of the six consented salmon farms to other sites in the Marlborough Sounds and urge the Minister to withdraw his proposal.

CHAIRPERSON: Yes, thank you, Mr Etheredge. The association that you are representing is an incorporated society, is that right?

10 MR ETHEREDGE: Yes, it is. Yes.

CHAIRPERSON: And do you hold office in that?

15 MR ETHEREDGE: I'm Chairman of the association.

CHAIRPERSON: You're ...?

MR ETHEREDGE: Chairman.

20 CHAIRPERSON: You're chair of it?

MR ETHEREDGE: Yes.

25 CHAIRPERSON: Yes. Thank you very much. Do you have copies of these?

MALE SPEAKER: Yes, thank you.

CHAIRPERSON: Do you have any questions?

30 MALE SPEAKER: No, thank you.

CHAIRPERSON: Right.

35 MR ETHEREDGE: I urge you to take some leisure time on the weekend and read through these.

CHAIRPERSON: Some what time?

40 MR ETHEREDGE: Leisure time, and read through these articles. They're really quite profound.

CHAIRPERSON: Yes. I'm sure we'll do that and they're quite recent too, aren't they?

45 MR ETHEREDGE: Yes.

CHAIRPERSON: Yes. Do you have any questions?

MALE SPEAKER: No, thank you.

CHAIRPERSON: All right. Thank you very much, Mr Etheredge.

5 MR ETHEREDGE: Thank you.

CHAIRPERSON: We're grateful to you for coming and once again apologise for the delay.

10 MR ETHEREDGE: Thank you.

CHAIRPERSON: Thank you. Peter Beech. Yes, thank you, Mr Beech, would you proceed please? You're Peter Beech and you live at 316A Waikawa Bay, Picton. Is that right?

15 MR BEECH: That's right.

CHAIRPERSON: Yes, and you say you are the Patron of the Guardians of the Sounds.

20 MR BEECH: Yes.

CHAIRPERSON: I think we've heard from them. We've heard from the Guardians, haven't we?

25 MR BEECH: Yes.

CHAIRPERSON: Yes, we have. Yes.

MR BEECH: Yes. This is my own personal submission.

30 CHAIRPERSON: You're not speaking now as a member of that group?

MR BEECH: Not for the Guardians, no.

CHAIRPERSON: No.

35 MR BEECH: This is on my own behalf.

CHAIRPERSON: All right. Could you position yourself? Bring the microphone towards you. It might help a bit.

40 MR BEECH: Okay.

CHAIRPERSON: Yes. Right. Thank you.

MR BEECH:

5 It is with a heavy heart that I make this submission. Over 20 years ago I formed an environmental watch dog group, called Guardians of the Sounds, to try and protect the natural resources of our Sounds and protect the rights of the Sounds Community. After 20 years of advocacy work you would think that the government's role in sustainable management of the Sounds would have improved out of sight. We have seen the transition of the Ministry of Fisheries, who did a terrible job of managing our fisheries resource, to now calling themselves MPI. They have formed a virtual partnership with the foreign-owned multinational King Salmon, along with Te Ātiawa Trust. You know as well as I that what they should be doing is creating a long-term sustainable, holistic, management plan for New Zealand's native fish stocks that will guarantee healthy fish stocks into the future.

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15 The individual quota system is fundamentally floored, in that it focuses on individual species rather than a holistic model and it will fail. When the native fish stocks are gone they plan to replace them with farmed fish and plan to legislate to make the Sounds into one great big aquaculture growing area.

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25 The really sad thing is that they know full well that it will become a polluted, diseased, cesspit within 20 years. It doesn't worry them because, like the fishermen, the scallop dredgers, the divers, the sealers, the whalers, the forestry industry, the pastoral farmers, the dairy farmers and freezing works before, they will create a monoculture farming salmon that will give good returns initially but will be non-sustainable long term.

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35 The current fisheries management is failing because of competition, greed and corruption. Their fish farming model will fail because of pollution and disease. My whanau have lived, worked, fished, farmed and built boats in the Sounds for seven generations. There are three generations of us here today. That's my family back there. Collectively we have experienced all of the failed monocultures. For the last 30 years we have kept a very close eye on Salmon farming, both here and around the world. Everywhere they have farmed them in sea cages intensively they have been an environmental disaster, and here is no different. It is the same water, the same fish, same methods, same feed. How can a government in this day and age, with all their educated staff, environmental advisors, scientists, agency staff - like Department of Conservation, Ministry of Environment - allow a rort like this to happen?

5 We like to think that our great grandfathers didn't know what the effects  
of deforestation of the Sounds would cause or that the hunting of the  
southern right whales would lead to their virtual extinction. But they  
do. They know exactly what is going to happen as a result of this  
application. We are so tired of hearing the lies from King Salmon.  
10 They argued for years that their farms were sustainable, no pollution,  
no disease, "Our farms don't cause algae blooms. We won't put our  
fish farms over your traditional fishing spots or spawning areas. We  
won't prevent you from gathering kaimoana. Our industry won't affect  
your customary or recreational fishing or diving areas. Your people  
won't get sick. Diseased salmon won't infect native fish stocks".

15 They are still saying that their farms are fully assimilative. Rubbish.  
The bottom under farms that were closed 15 years ago is still black,  
oozy muck that nothing can live in. We are sick of their lies and we  
are ashamed that a responsible, well informed government could ignore  
decisions made by the Supreme Court, blaze ahead by applying to  
20 move these farms and increasing the amount of feed threefold, without  
waiting for results on the environmental impact of the latest high flow  
farms, and conspire with a multinational company and take away our  
democratic rights. Company scientists and expert witnesses are  
nothing but paid liars. They are saying that the farms are unsustainable  
in low flow sites, contrary to all the King Salmon dogma that the  
25 Ministry of Fisheries and the Marlborough District Council has  
accepted as gospel all these years.

**[12.00 pm]**

30 This application by MPI is an acknowledgement that all the science  
that King Salmon has been promoting as sustainable all these years is  
false. The Marlborough community has known this all along but the  
agencies wouldn't listen to us. The belief that moving farms into high  
flow sites will make the industry sustainable is misleading and  
35 potentially disastrous for the Sounds ecosystem. The reason they have  
made this application, in defiance of the Supreme Court, is because  
they know there is no way that fish farms that are stocked at current  
levels will ever be able to achieve the target that MPI have set of  
\$1 billion worth of product a year by 2025. This application is all about  
40 intensification.

45 We have been told that the amount of feed applied for would produce  
the equivalent amount of nitrogen as the amount of sewerage from  
400,000 people or 56,000 dairy cows. I suspect that you will  
recommend that these sites are granted as controlled activities with  
very long licenses. Controlled activities are licences in perpetuity and  
should not be allowed. Any licence for a fish farm should be reviewed  
every five years, as they are in Norway.

5 Personally, I don't believe these farms should be allowed in the Sounds, full stop, but in some ways the low flow sites are the better of the two evils. In a low flow site the waste falls to the bottom. This forms an anaerobic build up underneath the farms that in time give off methane gas, phosphorous and other toxins that eventually become anoxic. The lack of oxygen kills their own fish. If you move those farms into high flow sites, only 20 per cent of the waste falls to the bottom. The other 80 per cent gets distributed all around the Sounds by the flood tide. In six hours a toxic algae bloom will travel the length of the Sounds. This has been proven. The nitrogen enrichment will result in the only creatures living in the Sounds will be algae blooms and jellyfish. They will create a dead zone. This has happened in the Adriatic, the Gulf of Mexico, the Sea of Japan. Why would it not happen here?

15 The other risk that is shown in other countries is the increase in acidification that could have serious impact on the shells of our kaimoana and threaten the paua industry. It is wrong for a government, that has a duty of care to provide for the health and safety of its people, to allow an industry to operate and develop that has knowingly caused paralytic algae blooms capable of causing people's diaphragms to seize and their lungs to stop working. These people could die from eating contaminated kaimoana. If this happens and the Ministry of Health have prior knowledge, are they not responsible? I told the Ministry of Health, who had erected a sign in Waikawa that said, "If you eat shellfish you could get sick" that they should change the sign to say that, "If you consume kaimoana contaminated with paralytic algae bloom you could die".

30 Every year for the last five years we have been unable to collect kaimoana over the summer months because of paralytic algae blooms. If Te Ātiawa Trust wasn't partnered up to this company they should be enraged about losing the fundamental traditional right to gather kaimoana, and the loss of yet another popular fishing and diving spot to another massive fish farm, which will destroy all the native ecology for hundreds of metres all around it. This is the farm that is being proposed in Oyster Bay that I refer to there.

CHAIRPERSON: That's the Tory Channel one?

40 MR BEECH: In Tory Channel, yes.

CHAIRPERSON: Tio Point?

45 MR BEECH: That's correct.

CHAIRPERSON: That's what you're referring to here?

MR BEECH: Yes.

CHAIRPERSON: Thank you.

MR BEECH: Sorry, I should have written that in.

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CHAIRPERSON: No, that's all right. Yes.

MR BEECH: What MPI don't appreciate is that Totaranui is like a washing machine bowl, the tide will spread the nitrogen and toxins to every part of it. Cancer, although concentrated in one area of the body, will eventually kill the host. Does the Second Article of the Treaty of Waitangi not say, "Full, exclusive and undisturbed possession of lands, forests and fisheries"? A company that is knowingly poisoning our kaimoana and our community is in contravention of Article 2 of the Treaty of Waitangi.

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At the EPA Hearing in 2013, the judge told us that our references to the Treaty of Waitangi were, "Nothing but a distraction". This was a terrible insult to Māori. Did he say this because of a lack of understanding about Te Ao Māori, the Māori world view of the natural world, or was it because he felt that the Treaty of Waitangi has no basis in the law and he wasn't obligated to have regard to it? The treaty is mentioned in over 30 Acts. My understanding is that lawmakers must take these Acts into consideration, the main one being the Conservation Act 1987, section 4. That says:

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"This Act shall be so interpreted and administered as to give effect to the principles of the Treaty of Waitangi."

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Local Māori strongly support the concept of kaitiakitanga as defined by section 2 of the RMA 1991. That says:

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"The exercise of guardianship, and in relation to a resource, it includes the ethic of stewardship based on the nature of the resource itself."

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Chinook salmon is not a native species but the adverse effects of salmon farming have a very real potential to threaten our mahinga kai, native fish stocks and threaten the health and safety of our community. Section 8 of the RMA says, "Shall take into account the principles of the treaty of Waitangi". Section 6E requires decision-makers to:

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"... recognise and provide for the relationship of Māori and their culture and traditions with their ancestral lands, water, site wahi tapu and other taonga."

Section 7 sets out persons exercising functions and powers under the Act are to have particular regard to including kaitiakitanga. Under the Treaty of Waitangi (Fisheries Claims) Settlement Act 1992, it states:

"May be seen as an affirmation of customary rights that would otherwise be recognised by the common law."

5 I have included this because if as a court you feel that you are not  
required to acknowledge the Treaty of Waitangi, or just see it as a  
"distraction", please pay recognition to our customary rights to be able  
to gather kaimoana and fish - without getting sick - and to help feed  
10 our kids and be able to swim in clean, unpolluted water. This is  
recognised by international and customary law, if not in law but in lore.  
I certainly hope that this court pays due regard and respect to the Treaty  
of Waitangi, the founding document of our country.

15 We have shared our lore - our oral histories - before with the EPA who  
took no notice. The old people had a holistic view of the Sounds  
ecosystem. They believed that all of the elements, the air, the bush, the  
sea, the river deltas and lagoons, the tide, the fish, the kaimoana all had  
a life force and that they were all dependant on each other for mutual  
20 survival. They called the Sounds Tōtaranui. The emphasis is on the  
word "tara", which is a woman's private parts. The name meant that  
the Sounds was their mother and that Tory Channel was the mother's  
womb. The high peak directly behind the channel entrance was called  
Raiatea, the penis that fertilised the womb. The bay called Onapua, the  
"pua" is the receptacle for life where the seed is germinated. Isn't it  
25 interesting to learn that it is from this bay where they believe that the  
algae blooms are originating from?

30 And the southernmost headland of Arapawa is called Rua o Moko.  
This name has a dual meaning. One is "The god of earthquakes". The  
other meaning is "The unborn child" and the earthquakes are the  
mother's birthing pains. This middle section of the channel, where the  
salmon farms are being located, was the most densely populated by  
Māori over the summer months where they were actively involved in  
35 gathering and storing enough kaimoana and fish to carry them through  
the winters. They lived in bays on both sides of the middle sections of  
the channel. Their pa sites were called Kaihinu and Moioio Island,  
because these bays and headlands were much more sheltered than the  
exposed bays at either end, like Okukuri and Maraetai/Dieffenbach  
where the southerly storms become extremely violent. Of course the  
40 same applies today and that central section of the channel was the most  
favourite fishing spots for customary and recreational fishermen and  
divers.

MPI have taken it upon themselves to make the channel into a salmon farming, aquaculture growing area. I was told the other day that the Marlborough District Council Aquaculture Working Group has been asked to divide the whole of the Marlborough sounds up into paddocks. I suspect that MPI have plans to develop the Marlborough Sounds into one great big aquaculture growing area, to the detriment of all other user groups and our Sounds community's rights to tourism, customary and recreational fishing and diving.

Remember, there are hundreds of people today who are descended from Māori who lived in Tory Channel and Arapawa Island, also hundreds who descend from whalers and fishermen from Tar White - Te Awaiti. There are also very significant urupa, like Moioio Island, where over 300 souls were slaughtered during the Musket Wars and is the grave site of Huriwhenua, one of Te Ātiawa 's paramount chiefs.

Don't take it for granted that because Te Ātiawa Trust has thrown their hand in with King Salmon that local whānau hapū agree with it. At the last EPA hearing, Whānau Hapū called iwi hui where they were given a clear mandate to tell the Te Ātiawa Trust to oppose their own partners. They were told by the Trust that the people who voted them onto the Trust had given them a mandate to make independent decisions.

King Salmon were very clever in being able to convince Te Ātiawa Trust to join them as partners. This court needs to acknowledge that Te Ātiawa Trust or Te Ātiawa are just one of eight iwi in the top of the south. I guarantee that in the future local Māori who have been disenfranchised by their own iwi trust will turn on them. Nothing is more important to Māori than their rights to be able to harvest fish and kaimoana, especially for weddings, twenty-firsts and tangi at the marae. This marriage with King Salmon will end badly for Te Ātiawa Trust. It won't be long before local Māori will need to go to the supermarket to buy their kina and mussels out of plastic punnets. The new salmon farm at Ngamahau will pollute and destroy the best cockle bed in New Zealand in the bay directly to the south of the farm. The EPA refused to listen to our warnings about this.

I am a fifth generation Soundie. I have lived in the Sounds my entire life. I have never been anywhere. I am 60 years old and have spent my life plying these waters. For the last 50 years I have been a commercial skipper, first working as a commercial fisherman then skippering commercial tourist boats and water taxis. For the last 20 years my wife Takutai and myself have been running an ecotour operation in the Sounds and Tory Channel.

[12.15 pm]

- MR DORMER: Excuse me, sir, you read out "for the last 50 years" and you have written "for the last 25 years".
- 5 MR BEECH: Oh, sorry, for the last 20 years.
- CHAIRPERSON: Twenty years?
- MR BEECH: Twenty years, sorry.
- 10 MR DORMER: But in the sentence before ...?
- CHAIRPERSON: Where you say you've been a skipper, a commercial skipper.
- MR BEECH: Yes.
- 15 CHAIRPERSON: Yes, 25 years is correct, is it?
- MR BEECH: Oh, yes, sorry, for the last 25 years.
- 20 CHAIRPERSON: Yes.
- MR DORMER: I heard you read out 50. I was following it.
- MR BEECH: That's all right.
- 25 CHAIRPERSON: So, the figure, the times you've got there are correct?
- MR BEECH: Yes.
- 30 CHAIRPERSON: Yes. Right. Yes, would you continue, please?
- MR BEECH: After spending a lifetime studying the ecology of the Sounds, I wholeheartedly agree with the Māori analogy of the Sounds being the mother and the Channel being the mother's womb.
- 35
- 40 You need to look at the big picture: ocean water being swept all the way by southerly storms, all the way from Antarctica, rich in zooplankton and phytoplankton. When it reaches Cook Strait it is forced into a funnel. Tory Channel leads directly off Cook Strait. The phytoplankton nets that we have dragged around in Tory Channel entrance - called Kura Te Au - show that the strong tidal flow is rich in zooplankton and phytoplankton.

The name Kura Te Au by the way means "the red tide", and that's in reference to the krill, the whale feed that comes into the Channel in the winter months. And that's why whales used to migrate up and into Tory Channel. This is spat or fish eggs that sweep up the Kaikoura Coast. They have a high oil content which evaporates over three or four days and when they reach the Channel they sink to the bottom where they grow. The fish and kaimoana spat in Tory Channel is carried by the flood tide and distributed all around Tōtaranui. Before the fast ferries trashed it, Tory Channel was regarded as the most productive area of fish and kaimoana in the whole of New Zealand.

What I want to make sure that you understand is that, if there is one area of Tōtaranui that you should protect over all others it is Tory Channel, the mother's womb. If the ecology of the Channel dies, which it will with intense aquaculture, the ecology of Tōtaranui will die with it. Be clear on that point. It is very true.

The Sounds ecology has reached a tipping point. There are only 20 Hector's dolphins left who dwell permanently in the Sounds. In the past the bottlenose dolphins also used to dwell permanently in the Sounds but over the last 40 years, with all of this scallop dredging, they no longer do so. In the last four years the bottlenose dolphins have disappeared all summer long. This I believe is a result of the Ministry of Fisheries allowing the destruction of the bottom of the Sounds' ecology as a result of bottom dredging by scallop and kina dredgers, both commercial and recreational.

When the flood tide leaves Tory Channel and enters Tōtaranui, it sweeps across to the other side where the Ruakaka salmon farm is sited. There is one of only three king shag roosting sites in Tōtaranui. We know that the algae blooms caused by salmon farming are disastrous for the king shags. The shags are bottom feeders and feed in the tidal flow that sweeps across between Dieffenbach and Bull Head. We take out a lot of bird watching parties. Our tourism industry would suffer greatly from the loss of these wonderful birds. We have known people to travel all the way from Europe just so they can tick that box.

There are already too many salmon farms in Tory Channel for the ecosystem to be able to assimilate. Don't allow another one. It could well be the straw that breaks the camel's back. There are lots of issues over shipping. Another large salmon farm set up opposite a blind corner is a navigational hazard. I saw three ferries all passing each other right opposite that point just the other day. We have experienced what happens when a fish farm breaks loose from its moorings and sweeps down the Channel. It has happened before and will happen again. That is a terrible danger to shipping especially if it happens at night. Fish farms shouldn't be sited along a shipping route, especially one like Tory Channel that has got a high and very strong current flow.

5 Sedimentation caused by forestry, bottom dredging for scallops, kinas and collapse of the fish stocks. I have an accumulated knowledge based on the oral histories of three generations of my ancestors who, like me, spent their whole lives living in the Sounds. We have also learned to respect the oral traditions of Māori who have lived in the Sounds for between 1 and 2,000 years.

10 MPI are making management decisions about things they and their scientists know nothing about. Be very careful. The Sounds' ecology is in a state of collapse. Don't tip it over the edge with a misguided belief in short term gain.

15 CHAIRPERSON: Mr Beech, you changed your evidence there and I think I should draw your attention to it, because I think it's a deliberate change probably. You say:

20 "MPS are making management decisions about things you and your scientists know nothing about."

MR BEECH: Yes, I mean --

CHAIRPERSON: You changed that to "they" and "their scientists".

25 MR BEECH: Yes.

CHAIRPERSON: You did that deliberately?

30 MR BEECH: Yes, I neglected to change that.

CHAIRPERSON: But you meant to change it?

MR BEECH: That's what I meant to say, yes.

35 CHAIRPERSON: Yes. So you're not talking to us about our scientists? That's the point, isn't it?

MR BEECH: No, I'm talking about them and their scientists.

40 CHAIRPERSON: Yes, all right. Thank you. "I see the ecology going through its paces", your last paragraph.

45 MR BEECH: Okay. I see the ecology going through its paces every day. The Māori people in Whanganui are asking people to think of their awa, the Whanganui River, as a living entity. This is a wonderful concept. Think about the analogy with the Sounds and ask yourself if you are making the right decisions. Would you disrespect your mother?

5 As a tourism operator, who for over 20 years has taken thousands of  
foreign tourists and thousands of kiwi school children around the  
Sounds, let me tell you that the foreign tourists are all well aware of the  
pollution and disease issues with salmon farming. They don't want a  
bar of them and they don't want to be taken to look at them and they  
don't like talking about them. They have travelled to the bottom of the  
world to look at our pristine nature show. In the last 2 months we have  
taken out 12 school classes who are wanting to learn about the  
10 sustainability of salmon farming in the Sounds. There is a big backlash  
from the people of Marlborough to this proposal. Interesting that now  
it's coming from the schools.

15 The Government has allowed our fresh water rivers and streams to  
become terribly polluted. Please explore the parallels between the  
effects of over-intensification of dairy farming. Make sure that your  
decisions don't do the same to our beautiful Marlborough Sounds. We  
have stripped her of all the whales and seals, we have filled in all the  
lagoons and dredged out the deltas where the baitfish bred. With no  
breeding grounds left there are no baitfish to entice the enormous pods  
20 of pilot whales that used to come into the Sounds in my grandfather's  
time. We have ploughed up the bottom and destroyed her ecology and  
through mismanagement we have allowed the fish stocks to be  
decimated.

25 We have deforested the hills, for their 2,000-year-old podocarps,  
pastoral farmed for 150 years, now covered the hills with exotic pines,  
the sedimentation from which has smothered all our kaimoana beds and  
kelp beds. The wilding pines eradication has cost New Zealand and  
the local community millions of dollars to remove with no help from  
30 the forestry industry.

35 Don't make the same mistake with yet another mono culture, we know  
that salmon farming will fail, and we know that when it does the  
aquaculture industry will just turn their backs and walk away; it will be  
left up to the Sounds community to clean up the mess.

40 Finally, the thing that I am extremely concerned about is MPI taking  
the management rights off our local government in regards to  
aquaculture. Many of us stakeholders have spent years now consulting  
on our district plan, then MPI come along and tell our council that they  
are taking aquaculture out of the district plan. How dare they. They  
have defiled our democratic process, this is the dilution of democracy,  
what's next? When they decide that they want to fast track forestry,  
will they pull that also? They are on a slippery slope. Where does this  
45 stop? Democracy is a frustrating system, but it is the best system we  
have got, if a law is unjust as a community we can change it. If there  
is no law we can create one.

5 We have elected people as councillors to represent us, people who know our history, our culture and environment. If they don't know, we can educate them, but we rely on them to manage our Sounds. This is local government by the people for the people. This is democracy. MPI have no right to interfere in this process and to call the application by one company a matter of national importance is an insult to everyone's intelligence.

10 If they must grow this industry that takes fish stocks off poor people to convert into food to sell to rich people, look for a truly sustainable method. I think that storms and rising water temperature will prevent open sea farming, although it is ideal for mussel farming. There is an open sea mussel farm being developed now out in Clifford bay, which has been developed because of overcrowding of mussel farms in the Pelorus and lack of sustainable growth because of over competition and lack of feed. Pure economics will drive this development.

20 I think that land-based fish farming is the future, where they dig their ponds out of the land, pump in the cool clear waters of Cook Strait, circulate around the ponds, feed the fish on seaweed, which the industry can farm themselves, to what in time will all be herbivore fish, control the water temperature and filter the waste out, to be processed in an environmentally acceptable manner, before the filtered water is returned to the sea.

25 The farm could be near the town, like Blenheim, Riverlands, or Lake Grassmere, where there are huge lagoons right alongside the rail and road network close to the coast, easy access for the large quantities of feed and be close to the town for workers' access. Yes, it would be more expensive and would reduce their profit margins, but the only reason their profits are so good is because they don't pay rates for their sites and they just dump their waste in the sea. The Ministry of Environment should insist on this industry having to dispose of their waste effectively without pollution.

35 **[12.30 pm]**

40 The company will have to pay rates for the land and will have to pay to dispose of their rubbish, like every other industry. As a government agency, MPI need to make this industry clean up their act. MPI's turning a blind eye to the terrible pollution of our rivers is bad enough, they should man up and clean up this industry, why should the Sounds' environment have to subsidize their waste?

5 King Salmon say this technology isn't available. Rubbish, they have had them in Canada and Norway for years. The Norwegians have developed this technology into an extremely productive and profitable enterprise where every part of the process is controllable, water temperature, oxygen levels and the disposal of their waste. Even their waste is processed into a marketable product; this is a truly sustainable system.

10 The last EPA hearing cost them between \$11 and 15 million; that would of built a magnificent land-based closed-containment farm that the whole community and country would have been proud of.

15 Remember that King Salmon is just one stakeholder, a small player compared to our tourism industry, yet it has the potential to destroy the industry. The Sounds ecology is dying, please don't make it worse by adding, I put "five" there but I believe it's three times the nitrogen and remember the precautionary principle, every action has a reaction and every creature in the marine ecosystem is symbiotic.

20 It is economic necessity that will drive the development of offshore farms, however the only thing that will get fish farmers to develop land-based closed-containment farming is Government policy based on long-term sustainable management with due regard to environmental effects, customary rights and the health and safety of our community.

25 As it stands, fish farmers don't have to buy the area of seabed they covet, they don't have to pay rates, they don't have to dispose of their waste and, if and when they leave, they don't have to dredge their pollution off the bottom, they just turn their backs and leave.

30 I have limited my submission to only cover Totaranui. That doesn't mean that I am not concerned about Te Hoiere or the Pelorus Sounds, but there are residents from there that have a far greater knowledge than me of their own rohe. The only thing I will say is that the pollution from the high flow sites there will be distributed by the tide right through the Sounds. Only one good thing is that in time it will probably destroy the mussel industry, which I believe should be moved out into the open sea. MPI shouldn't be looking at high flow sites, they need to be looking at ways of getting salmon farming out of our Sounds altogether.

5 I would like to think that, with good science and good management, we could put in place a long-term management plan for a sustainable recreational and customary Sounds fishery. However, I suspect that the ever-increasing numbers of recreational boats with their more and more sophisticated fish-farming technology will mean that the fish resources of the Sounds will inevitably collapse, which will result in the Sounds being made into a marine reserve, which long term will have a far greater ecological and economic value to New Zealand.

10 I don't expect that the decision that this court makes will be anything other than MPI policy. What I will be very interested in is to see your decision peer-reviewed by the Supreme Court and to see whether or not the Supreme Court is influenced by Government peer pressure or whether the justice system stands above politics.

15 Thank you for allowing me the opportunity to speak.

CHAIRPERSON: Thank you very much, Mr Beech. Would you just remain there please? Any questions?

20 MR DORMER: No, thank you, sir.

MR CROSBY: I've got two questions, Mr Beech. You mentioned a marine farm, I think you talked about, open-sea farming development out in Clifford Bay at page 7. Where is that and how large is it?

MR BEECH: I don't know an awful lot about it, to be honest, I was talking to a guy the other day at the Air Show who is working on the project. He said that it's a very large-scale development and that what they are wanting to achieve is the technology necessary to sink the farms down below the level of the wave action. This is all new ground; it's all new technology, but the beauty of it is for the industry that it's in the open sea. Because it's sunk down below the sea level, it is not an obstruction to shipping and there is any amount of feed obviously.

30 What has driven them to this is the shortage of feed and the over-competition that they are concerned about in the Pelorus Sounds. They believe that the mussels will grow bigger and faster in the open sea.

40 MR CROSBY: Have you seen the farm or seen the spreadsheets?

MR BEECH: No, I haven't seen it personally, no. But it is, according to this fella, it is in Clifford Bay, which is tucked under the lee of Cape Campbell, so to a degree it is sheltered.

45 MR CROSBY: At page 5 at the bottom of the page you refer to three king shag roosting sites in Totaranui. Where are they located?

- 5 MR BEECH: There's one close to the Ruakaka salmon farm. There is another on the southern end of Blumine Island, or on the maps it's quite often referred to as Oruawairua. The largest roosting site is at White Rocks out on the edge of Cook Strait. These are only the ones in Totaranui, not Duffers Reef.
- MR CROSBY: Do you know the numbers at all?
- 10 MR BEECH: No, not offhand. I think they refer to them being about 600 breeding pairs.
- MR CROSBY: I think that's in the total complex.
- 15 MR BEECH: For the both, for the whole of the Marlborough Sounds. The largest site of course is at Duffers Reef, although the one out at White Rocks is a substantial colony. These ones in the Sounds are only small but, as eco-tour operators, we are quite excited about them because for all time the king shags have only roosted out at White Rocks on the edge of Cook Strait. They are extremely shy of people and boats but in the  
20 last 20 years, especially in the last 10 years, they have started to come into the Sounds, firstly with one on the end of Blumine, and now this later one just to the south of Ruakaka, which is great for us because we don't have to steam all the way out to the edge of Cook Strait to be a see them.
- 25 MR CROSBY: Just a final general point really, you've urged on us your own view of what Te Ātiawa Trust are doing and one of the submissions they make of course is to refer to the guarantees of tino rangatiratanga under the Treaty and to urge on us that they should be enabled to do what they  
30 wish with their own water space. What sort of response do you make to that submission?
- MR BEECH: Yes, well I can't speak on behalf of Te Ātiawa Trust. All I would say to you is that Te Ātiawa Trust, like most other iwi trusts in New Zealand, are a corporation. They have a large machine that they have to fuel and they are looking at every opportunity that they have to be able to make money. But I think it's important that you realise that Te  
35 Ātiawa Trust is just that, it's a trust, it's a corporation, and to a large degree they have disenfranchised themselves from their own whānau, hapū. And realise too that there are an awful lot of Māori living in Marlborough and the Sounds who are not Te Ātiawa. They are just one  
40 iwi group.
- MR CROSBY: Who assert a very strong rohe entitlement in Totaranui.
- 45 MR BEECH: Yes, they told mana whenua.
- MR CROSBY: Thank you very much, Mr Beech.

CHAIRPERSON: Mr Beech, on page 2, in the middle of the page, there is a paragraph that says:

5 "I suspect that you will recommend that these sites are granted as controlled activities and my question is why do you say that, because that is not what MPI are proposing?"

10 MR BEECH: I say that because at the EPA round that we had that was on their wish list.

CHAIRPERSON: On whose wish list?

15 MR BEECH: On King Salmon's wish list, to have their new farms being designated as controlled activities, and we are strongly against that.

CHAIRPERSON: But do you understand that that is no longer the case?

20 MR BEECH: No, I don't. That was just a supposition that I had.

CHAIRPERSON: Do you not understand that there are restricted discretionary activities now and not controlled; that's what's proposed?

25 MR BEECH: No, I didn't know that.

CHAIRPERSON: You didn't understand that?

MR BEECH: No.

30 CHAIRPERSON: Okay. You referred to us several times in your evidence as a court, Mr Beech, but I don't want you to go from here thinking that we are a court, because we are not. We are an advisory panel, quite a different thing. Do you understand that? Our job is to hear what people have to say and, as I said in my opening remarks a couple of weeks ago, to hear that, to listen to the evidence, to form some views about that, apply the tests under the Resource Management Act, and advise the Minister on the proposal. We are not a court. We are not a decision maker. Do you understand that now?

40 [12.45 pm]

MR BEECH: Well thank you for telling me that. For 20 years I've been appearing before environment courts and at the last EPA hearing that was an experience that was very hurtful to us in a lot of ways.

45 CHAIRPERSON: Well I'm sorry to hear that but I hope that this experience has not been hurtful to you.

MR BEECH: This is a new experience for us and, no, we don't understand really what your role is in this and I would prefer not to be sitting here talking to you people.

5 CHAIRPERSON: Yes, I think you've made that quite clear. But I just want you to understand that we are not a court and that our function is not a decision-making function. Our function is to advise the Minister of Primary Industries.

10 MR BEECH: So you don't make a decision on this proposal?

CHAIRPERSON: No.

15 MR BEECH: So, no, I don't understand. So the MPI have applied for this application.

CHAIRPERSON: No, MPI --

MR BEECH: But you don't make the decision and yet they make the decision.

20 CHAIRPERSON: No.

MR BEECH: They are the applicants and the decision-makers, how does that work?

25 CHAIRPERSON: No, the MPI or the Minister and his department are promoting a proposal to change the Marlborough regional plan to provide for these sites as salmon fishing sites using a process that is in the Resource Management Act to do it by regulation. It is the Minister who has that function under the Act. We don't have that function. The regulation --

30 MR BEECH: So you will be processing all of this information?

CHAIRPERSON: Yes.

35 MR BEECH: You won't be making a decision?

40 CHAIRPERSON: No, we won't be making a decision, we will be reporting to the Minister on the hearings that we have conducted, on what people have told us at those hearings, and we will be making our recommendations to the Minister. It will then be for the Minister to decide what he or she wishes to do with that. I said that at the opening of these hearings, and, if you look at our terms of reference, that is clearly our function. So I hope you understand that.

45 MR BEECH: Yes.

CHAIRPERSON: All right. Well thank you for coming, Mr Beech.

MR BEECH: Very good, thank you.

- CHAIRPERSON: And I'm sorry that we have delayed you this morning. Thank you.
- 5 Now, Evaon Watkins. Thank you. I'm not sure if I pronounce your name correctly.
- MS WATKINS: My name is Evaon Watkins.
- CHAIRPERSON: Evaon, E-V-A-O-N?
- 10 MS WATKINS: Correct.
- CHAIRPERSON: And where do you live?
- 15 MS WATKINS: Okay, my husband and I live at Motukina Bay, which is between Oyster Bay and Te Rua Bay, approximately 500 metres from the proposed Tio Point site.
- CHAIRPERSON: Thank you. Right, and you've made a written comment, haven't you?
- 20 MS WATKINS: I have.
- CHAIRPERSON: Yes. All right, what would you like to tell us today?
- 25 MS WATKINS: Okay, so I'm representing my husband, Bruce, and myself. We both strongly oppose the MPI proposed relocation of salmon farms. Have you actually read my written submission?
- CHAIRPERSON: I can't say hand on heart that I have yet, but I will be, yes.
- 30 MR DORMER: Yes, I have.
- MS WATKINS: You have read it, and, Ron, have you read it?
- 35 MR CROSBY: I'm in a similar position of trying to remember, amongst all these, whether I've read particular ones.
- MS WATKINS: Okay, all right, so I'm slightly disappointed if you haven't read it because it actually took me in excess of 40 hours to prepare the document.
- 40 CHAIRPERSON: Be assured that, if we haven't completed reading it, we will.
- MS WATKINS: Great, okay.
- 45 CHAIRPERSON: We had 588 or something, you understand?
- MS WATKINS: All right, so I've only got time now to speak to three --

CHAIRPERSON: But we will read it, yes.

5 MS WATKINS: Good, thank you. So I've only got time now to speak to three of the points raised in the material that I did submit. I don't have any scientific qualifications or I don't have a legal background, but I'm passionate about the Marlborough Sounds as we have lived and owned a property in Motukina Bay in Tory Channel for 14 years. I am presenting only on the proposed relocation to Tio Point, however I also oppose all farming of salmon in the Marlborough Sounds waters.

10

Have you actually made a visit to Tio Point site?

15 CHAIRPERSON: We've flown over the whole area in a helicopter before the hearings started.

15

MS WATKINS: Before the hearings, so you've seen it from the air but you haven't actually visited the sites?

20

CHAIRPERSON: Well I've been past it in the ferry.

MS WATKINS: It's not quite the same, okay. All right, that's fine. It is such a shame because you don't see what the possible loss will be without first-hand knowledge of this area.

25

According to the MPI's overview of ecological effects of aquaculture, the depositional footprint of a typical finfish farm extends 10 to 100 metres from the cages. The proposed Tio Point salmon farm is only 100 metres from the reefs of Motukina Bay. These are significant reefs and they run on the east and west end.

30

CHAIRPERSON: How many metres did you say, I'm sorry?

MS WATKINS: These are significant reefs and they run on the east and west end.

35

CHAIRPERSON: But you say the farm is how many metres?

MS WATKINS: 100 metres from the reefs of Motukina Bay and Motukina Point. Please see photograph 1, which I just gave you before, and this is a photograph of the paua, which live here, and this was taken two weeks ago at low tide. Every finger contains a substantial number of paua. They were only inches from the surface and right beside the shore. These stretch far out into the sea.

40

CHAIRPERSON: These are at your bay, are they?

45

MS WATKINS: These are in Motukina Bay; these are at Motukina Point.

CHAIRPERSON: All right, and --

5 MS WATKINS: And I'm hoping that you can see them, they were only taken by my cell phone, but you can see the paua sitting right along the fingers, there must be about 12 of them just in that one little crevice. Can you all see those?

CHAIRPERSON: Yes, we can, thank you.

10 MS WATKINS: Motukina Bay has a localised eddy and our major concerns are from far field deposition of farm derived nutrients, which will concentrate in the bay, suffocating juvenile paua and the reef communities.

15 There have been no monitoring of paua around the Tio Point site. MPI have confirmed this in writing and the dive which took place related to another proposed farm right in Motukina Bay. Cawthron has reported in their findings that the secondary deposition may lead to localised patches of enriched seabed but this is all dependent on the hydrodynamic features around the nearby headland. Apparently even  
20 they do not know what will happen and where this deposition will end up. A suggestion of monitoring for three years is totally unacceptable. By then we will have lost a significant reef along with paua, horse mussels, kelp and reef communities.

25 To elaborate on my point of the localised eddy, two weeks ago, on 20 April, we took these photos, and my apologies again because it's just from my cell phone, photo 2 is a close-up of the sea surface taken from our jetty, it's a mass, which looks like fish eggs. Can you make that out on the photo? Photo 3 is a black cloud of eggs and you'll see the black  
30 cloud is here and it runs all the way down around Motukina Bay, it's right to the edge, getting close up to the shore. And photo 4 is a sample of the eggs and that's in a glass bottle.

35 MPI's scientific team came back to me this morning at 9 o'clock to say they are salp, I think you pronounce it, which is a tunicate, which feed on phytoplankton blooms. So, regardless of what these exactly are, the point of the photos was to show the Panel how the localised eddy works in Motukina Bay. These salp eggs remained in the full length of the bay for more than 24 hours.

40 CHAIRPERSON: Sorry, I didn't get the name?

MS WATKINS: It's called salp, that's what MPI called it, S-A-L-P. So the salp remained in the full length of the bay for more than 24 hours, swirling in and out with each tide. This is how the nitrogen and toxins from the salmon farms will linger and smother and kill in this bay. We have logs of wood from fallen trees, which will circle around the bay and then come back in with each tide. Often the ferry wake will wash them on to the beach, and this is actually called local knowledge, something that all the MPI reports lack.

5

10

There are already three salmon farms within close proximity to this proposed site. Will we need to erect signs to warn families not to swim or take shellfish in this bay? How sad will that be? Please also note that the reefs alongside the Clay Point, Ngamahau and Te Pangu salmon farms once were abundant paua beds and these sites no longer have paua or kelp forest present.

15

20

We currently are in a direct line of sight to two salmon farms and the night lighting, which supposedly runs from April to October, but we know it starts just after Christmas. Looking at the two sites at night time, there is a bright green hue covering the pens and the word on the street is that NZ King Salmon are importing LED lights, which will be stronger and cheaper to run.

25

According to the New Zealand National Geographic, juvenile paua mainly feed at night and congregate together in social groups. Young paua are strongly photophobic and find places to hide during daylight. DOC have already stated that they are inefficient feeders and require a high daily feeding rate. This will mean these already stressed juvenile paua from the high nitrogen and toxins levels forming in Motukina Bay will also be in 24-hour daylight.

30

35

Our treasured Marlborough Sounds blue cod, this brings families and boaties from all over the South Island. The maximum age of blue cod is 32 years. The salmon fed on pellets live until they're 18 months old. I asked the MPI drop-in staff if any testing had been done on the mature adult blue cod, particularly their reproductive fitness and the long-term effects. This was their reply:

40

"We are not aware of any other New Zealand research completed or underway on how the existing finfish farms in New Zealand might affect wild fish populations in the vicinity of the farms."

5 Is this playing Russian roulette with nature by not even starting some  
form of monitoring? Concerning also to note that Dr Tim Dempster,  
in his report, recommends that there should be no fishing within  
10 100 metres of the cages as they may acquire elevated loads of mercury  
due to their association with farm-impacted sediments. I must also add  
blue cod are territorial and live and breed where they are born, but can  
travel up to 1.6 kilometres from this habitat. Alarm bells here, is this  
the end of eating this fish because of mercury levels? Is this the end of  
another Kiwi tradition that we cannot pass on to our next generation?  
15 Are we sacrificing a species of wild fish to allow a farm fish to exist?  
Also, what studies have been completed on the economy of Picton  
when blue cod and other demersal varieties become mercury laden and  
unable to be fished, will boaties still want to come to the beautiful  
Marlborough Sounds?

[1.00 pm]

20 My final paragraph of my submission to the Minister suggested that in  
the future he will reflect on his time in power, as all great men do, and  
possibly his grandchildren will ask him what he was most proud of  
during his time in office. I hope that you as a neutral panel, if asked  
the same, will not hesitate in saying how you saved the Marlborough  
Sounds from intensive fish farming. New Zealand environmental  
25 heritage is hard to get back once it's gone. Who will pay the price? It  
will not be our generation; it will be our grandchildren. They will not  
experience the Kiwi traditions that you and I have taken for granted.

30 New Zealand King Salmon should be allowed to farm salmon, it's a  
brilliant idea, but do it onshore and make them take full responsibility.  
They are using public waterways for private gain and that gain is for  
only one company. Sweden is 20 years ahead of New Zealand aqua-  
farming; they have just banned marine-based salmon farming and are  
demanding that the industry move everything offshore within three  
35 years. We need to take heed of their experience in this industry. Land-  
based salmon farming is being introduced around the world, including  
United States, Denmark, and on the Chinese/Mongolian border. Those  
in favour of these relocations have a very short-sighted vision, and I  
hope with the explanations of local knowledge that the Panel can  
40 understand how privileged we are to have the beautiful, unpolluted  
Marlborough Sounds. The Panel also needs to be aware of the  
consequences if they approve this consent that you may be setting a  
precedent to invite all poor-performing aquafarms to relocate. Thank  
you for giving me the opportunity to speak to you all.

45 CHAIRPERSON: Thank you, Ms Watkins. Any more questions?

MR DORMER: No, thank you.

MR CROSBY: No.

CHAIRPERSON: No. Well, thank you very much. Thank you for coming.

5 MS WATKINS: Thank you.

CHAIRPERSON: Judy and John Hellstrom. Yes, thank you. Who's going to speak first?

10 MRS HELLSTROM: I will begin first. Can you hear? We'll share the microphone.

CHAIRPERSON: We can, yes.

MRS HELLSTROM: Can you hear that?

15 CHAIRPERSON: Yes. Can everybody hear? Right, good.

MRS HELLSTROM: Right. We are going to share this presentation to this Advisory Panel. We begin with the summary that you have of our full submission. We understand that you will read it if you haven't read it already.

20

CHAIRPERSON: Yes.

MRS HELLSTROM: We will not read exactly the words from this. We've got related words because we say we're speaking to our full submission, but everything we say is related to this summary.

25

CHAIRPERSON: Yes.

MRS HELLSTROM: We wish to begin by briefly introducing ourselves. We are long-term residents of Endeavour Inlet in Queen Charlotte Sound, Totaranui. We've lived there for the last 18 years and for 20 years before that we holidayed there very regularly. So, I guess that's over 40 years now.

30

CHAIRPERSON: It is.

35

MRS HELLSTROM: Yes. We have other experience as well in that we're both of us very much concerned with conservation management in the wider Marlborough area and also nationally. I was a member of the Salmon Working Group and, John, do you wish to say anything more?

40

DR HELLSTROM: Well, you're also on the national conservation authority.

MRS HELLSTROM: Yes, I'm a member of the New Zealand Conservation Authority but, of course, not speaking on behalf of that body here.

45

5 DR HELLSTROM: I have had an extensive career in public policy in a number of controversial areas, particularly biosecurity and animal welfare. I'm currently chair of the Marlborough Sounds Restoration Trust, which is the group dealing with wilding pines. I'm not appearing on their behalf but just to give you an idea of my involvement in the Sounds. I'm also a member of a trust that's looking towards integrated management of the Sounds marine environment.

10 CHAIRPERSON: Yes, thank you.

15 MRS HELLSTROM: So, what we wish to do now is to focus our comments on the following four issues. Firstly, process, and that probably would be our major comment in there, including that of the working group that informed the consultation document, where this process that we wish to talk about has informed the submission process. Secondly, landscape and natural character; social impact; and navigation.

20 So, I will begin with the process part of that. I wish to start by saying it's clear that MPI set up the Salmon Working Group to try to deal with the requirements of section 360 of the RMA, particularly section 360B knowing that there's no precedent for the use of section 360. This, if it is used, will be the first time ever. Section 360B, as you're probably aware, includes the requirements for community and iwi consultation or involvement.

25 We submit that in doing so MPI clearly failed to meet these requirements for a number of reasons. Firstly, that the Salmon Working Group was run in -- well, it was called keeping things confidential but it was actually secret because there were strict instructions that participants were not able to caucus at all with their communities of interest during that process. Secondly, no adequate notes or minutes were taken of individual meetings. MPI staff noted action points only, and thus MPI was controlling the pen for what subsequently was written to the Minister.

30  
35  
40 Thirdly, MPI's recommendations to the Minister did not accurately reflect the views of the Salmon Working Group members, and I've got an example of that. For example, the working group agreed that three of the proposed nine sites for relocation wouldn't be put up at all, and those three were basically taken off the table. The working group then agreed that a further three were not to be recommended for consultation. However, MPI's recommendations to the Minister state that members had "divergent views" on those further three, and they were Blowhole Points North and South and mid-Waitata Channel.

5 When some of us went around the table we knew that there was a majority view, which included all the community representatives and one or two others, that those farms shouldn't be put up for consultation, but because no minutes were kept and no votes were ever taken, it's been reflected as "divergent views" in the MPI recommendations to the Minister. So, those three, along with the other three - that's Richmond Bay, Horseshoe Bay and Tio Point - have come up as six up for consultation.

10 So, I now go back to the notes that you've got in front of you under process, use of section 360. We submit that the process by which it was decided by the Minister, with advice from MPI, to use section 360 of the RMA was not transparent either in terms of the timing by which this information was given to the Salmon Working Group or in general  
15 communication to the community at an early stage.

20 If I could just fill out that timing, it wasn't until about the third or fourth meeting - but again because no minutes were taken we can't be sure of that - of the Salmon Working Group that the MPI staff finally conceded that it was proposed that section 360 of the RMA would be used. It certainly wasn't stated at the outset. We submit that this lack of transparency amounts to a dishonest process by which the community was either not engaged or not engaged early enough and not given full and timely information at an early stage. We submit that this is a  
25 serious process issue in the running of the Salmon Working Group.

I just want to --

30 CHAIRPERSON: I just want to be clear about this. You're saying that the Salmon Working Group had had either three or four meetings before the group was told that section 360 was to be used?

MRS HELLSTROM: Was proposed to be used.

35 CHAIRPERSON: So what did the group understand was the purpose of its meetings?

MRS HELLSTROM: That MPI was seeking involvement of the Salmon Working Group as a working group to consider -- well, the aims of the working group were as agreed; firstly, to look at ways in which existing salmon farms could meet Benthic guidelines.  
40

CHAIRPERSON: The Benthic guidelines, yes.

45 MRS HELLSTROM: Secondly - these pages are not numbered - to ensure the enduring sustainability of salmon farming in Marlborough, including better environmental outcomes, including landscape, amenity, social and cultural values.

CHAIRPERSON: But can I just stop you there? The working group knew from the start, didn't it, that new sites were to be looked at?

5 MRS HELLSTROM: Yes, that we were looking at some proposed new fast-flow sites.

CHAIRPERSON: Yes, so how did the working group think that was going to be achieved? If those new sites were recommended, how did the working group understand that that would be achieved given the state of the Plan?

10 MRS HELLSTROM: Because it wasn't a given right from the outset that those new sites would be achieved. The outset was to consider options for existing salmon farms in Marlborough to adopt the guidelines and actually relocation of sites was only one of those options.

15 CHAIRPERSON: All right, carry on.

MRS HELLSTROM: Yes. So, the Salmon Working Group came up with some recommendations to the Minister, and that paper is available and you will have seen it.

20

CHAIRPERSON: Yes.

MRS HELLSTROM: They were finalised on 23 November, but on the very next day MPI gave its advice to the Minister. This is an affront to due process to consider that such advice could be considered and processed and provided to the Minister overnight. All of us who are or have been involved in public policy processes - and I have, too - must recognise that this is an abuse of process.

25

30 Again, before I carry on with these notes, a little bit more about the Salmon Working Group. The Salmon Working Group was informed by the MPI representatives on it that it would be giving some additional recommendation to the Minister following the public consultation process, which we are now part of. The evidence for that is actually in  
35 the roadmap that was provided by MPI to the working group, the additional involvement of the Salmon Working Group. MPI subsequently advised the Minister that this was not appropriate and that the SWG members were free to give their own personal advice, and this is what we're doing now. This is what we're all doing now.

40

However, this is a further abuse of the agreement initially made with community members to participate in the SWG process. Working group members heard from MPI staff only in January that they would have no further role. MPI, therefore, misled the Salmon Working Group about this ongoing role.

45

[1.15 pm]

5 During the process of the Salmon Working Group, each of us read about 1,500 pages of technical reports, spent many, many hours thinking and reading, and we did, of course, write to both MPI and the district council and give advice to the Minister about the lack of time in order to undertake this commitment, but we took it very seriously. During that time, I had been taking notes of a number of issues that I called trust and transparency issues. With your permission, I would just like to read you the notes that I made at that time. Is that acceptable to you? It's outside this summary.

10 CHAIRPERSON: Well, you're departing quite a long way from what's in here, which is making it --

15 MRS HELLSTROM: Well, if you wish I'll stay to this, but that's why I'm asking your permission.

CHAIRPERSON: I think you're making the point.

20 MRS HELLSTROM: Okay, that's fine. Okay, so I'll then go back to ...

CHAIRPERSON: "The Government proposes to use", yes.

25 MRS HELLSTROM: The Government, yes, further, okay. Further, the Government proposes to use this clause - that's section 360 - to -- and I said to override. I've thought about that and changed that to "circumvent" the Marlborough District Council's proposed MEP - that's their plans - that will prohibit aquaculture in the high landscape value areas of the outer Sounds. I've got to be clear that this hasn't yet happened.

30 CHAIRPERSON: You're now talking about the reviewed Plan?

MRS HELLSTROM: Yes.

35 CHAIRPERSON: The newly proposed one?

40 MRS HELLSTROM: The proposed Marlborough Environment Plan, yes. The use of section 360 also disregards the 2013 board of inquiry and 2014 Supreme Court decisions about expansion of salmon farming into prohibited areas, which are currently CMZ1, of the Marlborough Sounds. I'm skipping a bit now.

CHAIRPERSON: Well, it hardly disregards it, does it, because it's already in front of us?

45 MRS HELLSTROM: That's true, yes.

CHAIRPERSON: Yes.

MRS HELLSTROM: I agree.

CHAIRPERSON: Do you want to complete this sentence, "This proposal will enable the privately owned ..."?

5 MRS HELLSTROM: Yes, I initially wrote that and I'll stand with that. This proposal will enable a privately owned, with largely foreign ownership, company to use public water space for free above the interests of other users of the Marlborough Sounds, including iwi.

10 So, that was the first process issue. The second process issue, conflicts of interest, I'd have to say I find this bit really hard to have to front up to the three of you to talk about given that I'm actually talking about Mr Crosby's role here.

15 We've submitted on three conflicts of interest that were demonstrated through the Salmon Working Group process. The first concerns Mr Ron Crosby's statement to the working group that his view, supported by his longstanding Environment Court commissioner experience, is that the threshold of salmon farms in Waitata Reach has not been reached. He stated that he did not believe that this was the finding of the Supreme Court in its judgment concerning King Salmon applications. Now, I have checked this out with other members of the working group and there's agreement that we all heard this.

25 We note that a Cabinet paper - and that's the number there - obtained through OIA - and it wasn't us that obtained it - raises the importance of the independence of the Advisory Panel, and this is a quote from that Cabinet paper:

30 "An independent panel will provide greater public confidence in the process and is in line with the working group's recommendations on the need for independent testing of the information."

35 I've referenced that. We submit that the conflict of interest noted above has caused loss of confidence in the process. We've checked with others from the working group who also concur that Mr Crosby's views on the threshold of salmon farms in Waitata Reach were clearly stated. We are not aware that this conflict of interest has either been recognised or disclosed but recognise that it could have been done without our knowledge. We submit that without either of those the risks associated with it cannot be managed.

45 In referring to management of conflict of interest risks, we've referred to the Controller and Auditor-General's 2016 publication, "Reflections from our Audits, Governance and Accountability", part 4, "Managing Conflicts of Interest". At the very least, Mr Crosby appears to be biased in that he appears to have predetermined the issue by making up his mind before all the relevant information was available to him.

So, we'll state that. We don't require a response.

(off mic conversation)

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CHAIRPERSON: Do you want to do it right now?

MR CROSBY: Yes, I think so.

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CHAIRPERSON: That's your only concern about Mr Crosby's position?

MRS HELLSTROM: Yes. We've stated that.

15

CHAIRPERSON: Right. Well, then I'm going to give Mr Crosby the opportunity to respond to that now.

MRS HELLSTROM: Okay.

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CHAIRPERSON: All right?

MRS HELLSTROM: That's fine.

25

MR CROSBY: Can I just say this? The Marlborough Salmon Working Group had a presentation made by Mr Schuckard drawing attention to the board of inquiry report in which he asserted that there was a threshold which meant that no further consideration could be made of the group of any farms in the outer Waitata Reach area. I had not previously ever read that decision of the board of inquiry, and I am still wading through the report because it is so massive. I had not read those passages, so I went home, looked at the particular paragraphs, was unable to find reference to a threshold and came back and said that I thought the Salmon Working Group could continue because it did not appear to me either on the board of inquiry decision or the Supreme Court's decision that there was a reference to a threshold, but I did draw attention to the fact that the Environment Court did have a reference in one other unrelated case at Port Ligar to a threshold.

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The resolution that was reached was that an opinion would be sought from Crown Law on that issue of whether or not there was a threshold implied, if it wasn't stated, in the board of inquiry report and that the opinions would be sought of other lawyers as well both ways. I must say that at that stage I went overseas, but I understand that that opinion of Crown Law, because we've been given a copy here, was subsequently obtained from Crown Law together with contrary opinions from Mr Ironside and from Mr Davies.

I didn't have any occasion after that arrangement had been reached to form any views and I still haven't formed a view. We still have before us those respective views. Crown Law's essentially said that they think that they can between the two of them meld the two opinions and that they're not in conflict. Mr Ironside has come back strongly to us as an Advisory Panel saying that he doesn't accept that, and plainly we as a Panel need to grapple with the issue. The issue, though, I can assure you, in my mind and I'm sure in this Panel's mind is very much live and it's a challenging issue that we have to consider.

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MRS HELLSTROM: Thank you, Mr Crosby. Thank you for that. Just a slight correction: I don't believe Crown Law did come back. It was the MPI lawyer that provided the view. So, if it's gone to Crown Law since then, that's news post working group.

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CHAIRPERSON: Yes, I can confirm what Mr Crosby has just told you. As chair of the Panel, there are no closed minds amongst the Panel on this issue --

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MRS HELLSTROM: That makes me smile, sir.

CHAIRPERSON: -- which is substantially a legal issue and is a matter that we will consider. Indeed, we are seeking to have a lawyer from the Crown Law Office to provide us with a submission on the matter when the closing address of MPI takes place.

25

MRS HELLSTROM: Thank you. That's good to hear.

CHAIRPERSON: So, are you happier about that now?

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MRS HELLSTROM: Much happier about that, thank you.

CHAIRPERSON: All right.

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MRS HELLSTROM: However, I won't deviate from conflicts of interest here because there were two more.

CHAIRPERSON: No, no.

MRS HELLSTROM: The second one concerns the initially undeclared interest of the Te Ātiawa representative on the Salmon Working Group. Initially, we were informed that there were two iwi representatives of the iwi forum, one from Te Ātiawa, one from Rangitāne, and initially the Rangitāne one was there but he subsequently didn't attend. The Te Ātiawa person at again about the third meeting - and I don't have that accurately recorded because no minutes were taken - declared that actually Te Ātiawa had a partnership with King Salmon with respect to Tio Point, so at that point his interest was declared. Before that, there was a conflict of interest in that it wasn't declared. So I've said not until about the third meeting was it declared about this partnership being planned with respect to that Tio Point farm.

So, from then that person's role was clearly seen as one of advocating for that site. His views could not be seen as anything other than biased towards the proposal, so it completely altered the role of that person on the working group.

I've slightly deviated from conflicts of interest in the next paragraph, but it's relevant. This further exacerbated the apparent poor process of determining representation on the Salmon Working Group by iwi. For example, not until very late in the process was a representative of Ngāti Kuia brought into the Salmon Working Group. We do not consider that the requirements of section 360B(3)(b) have demonstrably been met. The other initial iwi representative did not take up the representative role as he did not attend any but the first meeting. That was Mr Richard Bradley from Rangitāne.

We question whether these arrangements meet the Crown's obligations under the statutory requirements reached with the affected iwi under the settlements of Te Tau Ihu o Te Waka a Maui.

CHAIRPERSON: Now, as regards that, you may or may not be aware that Ngāti Kuia and other iwi are going to be heard by us, probably at a marae hearing. We thought it was going to happen this week. It now looks as though it might be 15 May. That hearing will be public. They've all submitted and we will be hearing them in the same way as we're hearing you.

MRS HELLSTROM: That's very good to hear.

CHAIRPERSON: So that might dispose of your concern about that.

MRS HELLSTROM: Well, partly so it does, sir. The concern was about the process of the Salmon Working Group and it appeared to be very poor process at the time.

CHAIRPERSON: Yes. Well, you've made your point about that, but at least they're being heard now.

5 MRS HELLSTROM: Yes, thank you. Finally, and this is another issue of conflict of interest, a number of technical reports were prepared by the same individuals and/or companies that presented evidence through the board of inquiry process on behalf of New Zealand King Salmon and in several cases those original reports were barely amended. Sometimes newer dates were put on them. Given that they have been contracted this time by MPI but clearly nominated and/or selected by King Salmon, because otherwise there would just be huge coincidences, there are apparent conflicts of interest for the report writers and for the independence of the findings and conclusions of these reports. One report in particular has an overt conflict of interest, the social impact assessment, and I'll come to that a little bit later.

15 DR HELLSTROM: We regard this as particularly relevant in the context that none of these reports have been exposed to external peer review or expertise.

MRS HELLSTROM: Very few of them were. Occasionally some of them were.

20 CHAIRPERSON: Some of them have been peer reviewed.

MRS HELLSTROM: Some of them were but not during the process of the Salmon Working Group admittedly.

25 CHAIRPERSON: But they have been for this purpose, haven't they?

MRS HELLSTROM: I don't think they all have, sir.

30 CHAIRPERSON: Not all of them?

MRS HELLSTROM: No, I don't believe so.

CHAIRPERSON: Okay.

35 MRS HELLSTROM: The third process issue was the consideration of alternative options during the Salmon Working Group process. The King Salmon Supreme Court decision ruled that there was an obligation to consider alternatives under the New Zealand Coastal Policy Statement. I've now crossed out section 3(2) of the RMA because I think that was my typo and I couldn't actually discover which bit of the RMA I was referring to. So, I crossed that out for your summary.

40 CHAIRPERSON: All right.

45 [1.30 pm]

MRS HELLSTROM: But what the Supreme Court said:

"... particularly where the applicant for a plan change is seeking exclusive use of a public resource for private gain"

5 and I've referenced that. I've then included the aims of the Salmon Working Group, and for the benefit of everyone else in the room these were, one, to consider options for existing salmon farms - that's my bolding, by the way - in Marlborough to adopt the guidelines; and secondly, to ensure the enduring sustainability of salmon farming in Marlborough, including better environmental outcomes, including landscape, amenity, social and cultural values.

10 So, what happened was that there was no serious consideration by the Salmon Working Group of any of the listed possible alternatives - and they were to reduce production, relocate to land sites, relocate to higher flow sites, capture wastes in water, remove organic waste from seabed, improve feed efficiency - except relocation to higher flow sites, which was one of the initial alternative options given to the working group.

15 The first aim of the working group was not adhered to. The second aim was also not adhered to in its totality, only partially. So, that's another process issue that we wish to submit.

20 I'm now going to hand over to John to talk to landscape and natural character.

25 CHAIRPERSON: Yes. So you've finished talking about that topic and are now coming on to what we might call the merit topics a bit more?

30 DR HELLSTROM: Yes.

MRS HELLSTROM: Yes. Those are the three aspects of process that we wish to talk to.

CHAIRPERSON: Yes. You've completed that?

35 DR HELLSTROM: Yes.

CHAIRPERSON: Thank you. Well, I think we'll take a break now until 2.00 pm. I'm sorry we have to do this in the middle of your evidence, but we'll come back to it.

40 MRS HELLSTROM: That's okay, yes.

45 CHAIRPERSON: We'll break now until 2.00 pm and then we'll continue with your presentation. I want to assure the others who are still here that we will get through this list today. So, we'll break now until 2.00 pm. Thank you very much.

MRS HELLSTROM: Thank you.

**ADJOURNED**

**[1.32 pm]**

**RESUMED**

**[2.07 pm]**

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CHAIRPERSON: Right, are we ready? Yes, would you continue now, please?

DR HELLSTROM: Certainly.

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CHAIRPERSON: Yes.

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DR HELLSTROM: So I'll speak to our submission on landscape and natural character but in the interests of -- you've got a lot of people to get through today, I'll omit quite a lot of the stuff we've got written down here and just emphasise some key points. But we did want to open by expressing concern about the quality of the expert advice that was provided in terms of landscape. The expert appears to have paid scant attention to the landscape values held by communities, including local residents, iwi and the wider Sounds community.

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Any assessment of landscape must take into account historical, community, aesthetic, amenity values and values must be acknowledged as belonging to those who hold them and that's referenced back to the Board of Inquiry. One point I do wish to make is that where we live and the voyages that we normally do through the Sounds, we will never see a salmon farm, apart from the existing one at Ruakaka. So, all of the proposed farms, although we have real concerns about their landscape values because they're affecting what we see out of our window, it's because of what we feel about the landscape values of the Sounds as a whole.

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CHAIRPERSON: Yes, right.

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DR HELLSTROM: Mr Hudson appears to have largely dismissed the findings of the Board of Inquiry with respect to landscape. In particular, we consider that Mr Hudson has not sufficiently considered the seascape as an intrinsic part of the Sounds and we reference, again, the Board of Inquiry there in terms of the role of the sea.

5 One of the most important parts of the Sounds and we submitted on this aspect to the Board, was that it's the long views. As you come out of Tory Channel and you look right down to Totaranui up into Cook Strait or as you come out from Havelock up towards Maud Island and then turn and there's that 25-kilometre view, unobstructed view, beautiful view right out into Cook Strait and the offshore islands. For that reason we are particularly concerned about the landscape impact of the proposed farm in centre-channel in the Waitata Reach. It's one of the stunning views in the Sounds and to have a structure there, obvious during the day and at night covered in lights, is something that we really struggle with.

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15 Another effect which is not considered by the expert and indeed doesn't feature anywhere in the evidence that we've seen in terms of landscape, is that we have a phenomenon that occurs in the Sounds on a regular basis. Today, for example, it is very strong. It's a mirage effect when the wind is blowing from the east or south-east, you get a floating island effect. These islands rise above the horizon. Mussel farms rise about the horizon. Salmon farms rise above the horizon. They actually look twice the size that they would normally be because of this mirage effect and that would be particularly marked in Waitata Reach. And talk about this ...

25 MRS HELLSTROM: Well, it's recent case law.

DR HELLSTROM: Okay.

MRS HELLSTROM: Yes.

30 CHAIRPERSON: Just read it.

MRS HELLSTROM: Just read it.

35 DR HELLSTROM: Okay.

CHAIRPERSON: Yes.

40 DR HELLSTROM: We refer here to the very recent Environment Court report concerning sustainability of intensive dairying in the Mackenzie Basin. An Environment Court judge has said:

45 "There is a strong case for an immediate moratorium on freeholding parts of the Mackenzie Basin, due to the rapid rate of ecological values being lost. The accumulative actions of farmers throughout the Basin have brought the Mackenzie Basin to a point where its landscape values and status, as an outstanding natural landscape, is being threatened."

Now, although we recognise not all of the Waitata Reach and Blow Hole Point sites are currently areas of outstanding natural landscape, they certainly are mooted to be in the Plan that's currently being put together, the revised Plan.

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CHAIRPERSON: Yes.

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DR HELLSTROM: And the other thing which is currently underway as well is that the western entrance to Pelorus Sound, where a blow hole is located, is being turned into a wildlife sanctuary. The wilding pines have been removed and the farm is being returned into forest. So --

CHAIRPERSON: Where's that?

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DR HELLSTROM: That's the western head, it's the Te Kopi area --

MRS HELLSTROM: Blow Hole.

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DR HELLSTROM: -- and Blow Hole Point is right amongst it.

CHAIRPERSON: Yes.

MRS HELLSTROM: I think you do need to read that because --

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DR HELLSTROM: Yes, this --

CHAIRPERSON: Just read it, Mr Hellstrom, that's the quickest way to get through it.

30

DR HELLSTROM: Right.

CHAIRPERSON: Yes.

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DR HELLSTROM: Most of the comments made above also apply to two proposed Blow Hole Point farm sites. These sites are within the proposed outer Sounds outstanding natural landscape and within a proposed outstanding natural feature with Port Ligar, Forsyth Island and Kaitira headland as part of the Pelorus Sounds gateway. We did not accept that farms at these sites would not compromise the outstanding natural landscape. These Blow Hole Point farm sites are located in the gateway and would be lit at night.

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Cumulative effects will need to be considered, both for the gateway entrance and for the relatively pristine Waitata Reach as a whole. We also comment on the Horseshoe Bay and Richmond sites, similar sorts of issues and on the Tio Point site and we believe that the landscape impacts of all of those sites significant and should be considered in not agreeing with the sites. I'll pass over to Judy to talk about the social impact assessment.

CHAIRPERSON: Right.

5 MRS HELLSTROM: Righto. I have to say that I am a social scientist by training and took a great interest through the Salmon Working Group in the social impact assessment that was reportedly undertaken. And I start with a definition of social impact assessments. It actually comes from the International Association for Impact Assessment but I point out that it's very close to the RMA definition of purpose and that's referenced:

10 "Social impact assessment includes the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions, that's policies, programmes, plans, projects and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment."

20 And the IAIA guidelines go on to say:

"Most importantly, social impact assessment focuses on the individuals, groups, communities and sectors of society that are affected by change."

25 Now, this is the first major failing of the Taylor Baines's social impact report for the King Salmon proposed new sites. And I'll have to say that Taylor Baines also was their consultant for the Board of Inquiry and was not exactly laughed out of court but dismissed by the Board of Inquiry because they came up with their own social impact assessment.

30 Social impact assessment can be a policy-level assessment or, as in the King Salmon case, a project-level assessment. So, in this case the analysis is in anticipation of a proposed change. Because of the limited approach of the Taylor Baines's report to social impact assessment, we have no confidence in the conclusions that those new sites that are out of sight, the sort of sight of their neighbours have greater social acceptability, which was what he claimed.

40 [2.15 pm]

5 And, therefore, we conclude that this social impact assessment has not fulfilled the requirement of the RMA, part 2, section 5. I go on a little bit there because there's another more serious failing of the Taylor Baines's report affecting its credibility and also involving MPI. The reviewer, and this is the peer reviewer, who was contracted by MPI to given an independent critique of the Taylor Baines's report, was Rob Quigley with whom James Taylor, of Taylor Baines, was already collaborating on a publication that had been commissioned by MPI. The title is called The Community and Social Effects of Salmon Farming and Rearing: A Case Study of the Top of the South Island prepared for the Aquaculture Unit, MPI by James of Taylor Baines and Quigley. So, it was hardly an objective peer review. It was the third one, an example of the third sort of conflict of interest that I referred to earlier.

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15 The author, Taylor, had previously advocated for King Salmon's original application before the Board of Inquiry, so appears to be conflicted. His minimal coverage of the social impact of the proposed new sites reinforces our views on this. And we're going to talk a little bit more about social licence, referring to the last sentence there.

20 DR HELLSTROM: The significance of social licence in this regard is King Salmon have been advocating that they will enhance their social licence by moving to environmentally less harmful sites than they're currently at. Social licence is relevant in terms of the social impact statement, if the society is not giving social licence, it's clearly not going to be very sympathetic towards and concerned about the social impacts of the farming operation.

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30 What's happened here is that the process that is being imposed on our community, this section 360 process, is in fact going to erode social licence, regardless of the outcome. It can do nothing but that because imposed solutions are one of the quickest ways of destroying social licence and that's well documented in many case studies all over the world.

35 CHAIRPERSON: I'm not quite sure what you mean by social licence.

DR HELLSTROM: Social licence to operate is a well-known phenomenon, both in central and regional governments all over the world, where communities, effectively, grant an informal approval or acceptance towards an organisation or a company to do what they do. The term first arose in America and Canada where it was forestry companies and mining companies were discovering that even though they had a legal right to operate, communities were blocking their activities because they were causing so much distress and despair. It's not a case of going out and doing good PR to construct social licence, you actually have to go through a process of engaging with the community and finding solutions to the joint issues. It's not something that can be regulated. That's all to say on the social impact.

CHAIRPERSON: Yes, navigation?

DR HELLSTROM: So, the technical report was prepared by Navigatus Consulting and it appears immediately to be flawed because there was no consultation during its preparation with the Picton/Sounds Harbour Master. Although the potential risks are clearly set out in the executive summary, they are treated as theoretical. For example, and we quote here from the Navigatus report, "There is a conceivable possibility of a farm breaking free."

In fact, as Peter Beech earlier pointed out, this has happened. It happened a few years ago when one of the salmon farms in Tory Channel came adrift. Fortunately, there were no ferries there at the time and the Tory Channel was closed and the ferries had to divert round through the other entrance while the farm was retrieved. It took every boat and towing launch in Picton to get hold of that farm and tow it to a safe spot and then when the weather cleared it took a very large fleet to tow it back again. These salmon farms are rather heavy things when they get going and there's a lot of tide running through Tory Channel. So, that's not a conceivable possibility, it's an actual occurrence.

We have referred, in our larger submission to the Panel, written by the Picton Harbour Master, which refers specifically to the proposed farm in mid-Waitata Reach. He notes that the Harbour Master has serious concerns about this proposal on three counts:

"Some of the mitigation measures suggested would seriously compromise the landscape values of this outstanding landscape."

So, resolving the navigational issue in Waitata Reach by painting the farm a bright colour and putting lots of lights on it is not going to help with the landscape issue at all.

5 The other thing that we believe Navigatus underplayed was the effect of the funnelled winds in parts of the Sounds, particularly in Tory Channel and particularly in the narrow parts of Tory Channel. They can be very severe gusts and there are many days when the wind speed is gusting well over 100 kilometres an hour. So, there are potential navigational issues with ferries going through those tight spots in that sort of weather with the farms very closely adjacent.

10 The activity of cruise ships in Pelorus Sound is also underplayed in the Navigatus report, given the Harbour Master's recent statement that cruise ship visits into the Sounds are expected to increase substantially and they've already increased substantially over the last five years. Given the uncertainties implicit in this report, we have concerns about navigation risk, concerns about lighting of farms, concern about charting, given likely delays before cruising guides and charts are updated and concern that it's assumed that all of the farms will be staffed at all times. These concerns reinforce our view that none of the proposed farms in the Waitata Reach or the proposed Tio Point farm should be approved.

20 CHAIRPERSON: Yes.

MRS HELLSTROM: So we'll go on to our conclusion.

25 CHAIRPERSON: Yes, please.

30 MRS HELLSTROM: So we've commented on the process involved in consideration of six potential new salmon farms, including the Salmon Working Group. The consultation and the "expert" reports, conflicts of interest and the intended use of section 360 of the RMA to override the MDC Sounds Resource Management Plan and the future Marlborough Environment Plan.

35 We've commented in particular on those three further aspects: landscape values, social impact assessment and navigation concerns. We've not commented on other crucial aspects of this proposal, including water column and benthic effects, cumulative effects of feed levels, king shags' foraging areas. We need to say that we support the submission on these matters by other experts, including Rob Schuckard, on king shags, for Friends of Nelson Haven, et cetera and we share the serious concerns expressed there.

45 We've got no confidence in the ability of New Zealand King Salmon to meet best management benthic guidelines, even if farms moved to new high-flow areas. This company has not yet demonstrated that it is meeting them in the newly approved sites because monitoring reports have not been made available and we take that really seriously.

5 Our strong recommendation to the Advisory Panel and to the Minister is that none of the proposed new sites should be approved under section 360A and that NZKS should work to meet the agreed best practice benthic guidelines with the existing farm sites by lowering its production to more sustainable levels. Remember, that was one of the options that the Salmon Working Group was supposedly considering but didn't. We submit that this may be its best opportunity to secure support for its activities and, hence, social licence.

10 We submit that there should be no more salmon farms in the Marlborough Sounds until New Zealand King Salmon shows it can operate the ones it has within the agreed benthic guidelines. So our desired outcome is option C; the Minister does not recommend the proposed regulations.

15 CHAIRPERSON: Thank you very much.

MR DORMER: Early on in your submission I think it was Mrs Hellstrom who was talking about the original nine sites, three of which were quickly discarded, I think you said, by the Working Group. There's six, three of which, the mid-channel one and the Blow Hole sites, formed the impression that these were favoured by nobody but the MPI members of the group.

25 MRS HELLSTROM: No, not just the MPI members; of course, the King Salmon representatives on the Working Group too. When you counted the numbers of people around the table, there was actually a slightly bigger balance of people representing the community, either iwi, Guardians of the Sounds, Kenepuru Central Sounds, Sounds Advisory Group members, then there were a couple of King Salmon people; the MPI people we're not counting and a couple of DOC people, we're not counting them either. So, there was actually a majority feeling, the vote was never taken, that those three should not be put forward for consultation and we counted up amongst ourselves at the time. But no

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35 vote was taken, there's no record of that.

MR DORMER: Applying a similar sort of recollection test to the other three, were they accepted as being suitable for further looking at?

40 MRS HELLSTROM: The methodology used was a SWOT analysis; strengths, weaknesses, threats and opportunities and you'll all be familiar with that. And everyone was invited to give their views with respect to every one of the six proposed sites because by then we'd already shunted away the first three. And around the table there was a lot of feeling that none of

45 them should go forward for various reasons, for example, Richmond Bay, I think it is, it's in the king shag feeding area.

5 There were reasons and those were all put up. So there was never a consistent view amongst all members that those three, Horseshoe Bay, Tio Point and Richmond were all okay and thought to be all okay by everyone. But the agreed end point was, okay, let's put those three forward for consultation. Some of us don't like them for various reasons but this is the action that should happen.

10 MR DORMER: Okay, I understand now, thank you. On your penultimate page you're talking about the Taylor Baines's report, second paragraph:

"We have no confidence in the conclusions that those new sites, out of sight of their neighbours, have greater social acceptability."

15 Greater than what?

20 MRS HELLSTROM: Well, what Taylor Baines did and I'm not sure if it was Mr Baines or Mr Taylor, I think it was Mr Taylor and he had done most of this in 2011 for the Board of Inquiry, was to interview the people living in houses who overlooked salmon farms to ask them what they thought about sound, sight, smell, things washing up on the beach, etc. I think they had about five parameters. He then, for this exercise, interviewed people, there were hardly any of them, overlooking the proposed new sites and what he came up with was a numerical -- he quantified it. It is quite hard to quantify a qualitative thing but he did.

25 MR DORMER: Yes.

30 MRS HELLSTROM: And he came up with a way of giving numbers to -- therefore, more people disliked salmon farms because they currently overlook them, than would dislike them because there were less people who overlooked them. That was the conclusion that he drew and that was basically the only parameter he used to measure social impact. So, therefore, the new farms were socially more acceptable because there were less people who disliked them because he interviewed only the people who were going to overlook them.

40 MR DORMER: But wouldn't it be inevitably true that if a source of the dislike of the farms is their visibility, that those farms that are more visible are going to have less social acceptability?

MRS HELLSTROM: Absolutely.

45 MR DORMER: Therefore, farms that are less visible are going to have greater social acceptability.

[2.30 pm]

5 MRS HELLSTROM: That's absolutely correct but you have to then answer the question, visible to whom? Given the wider definition of social impact which, in this case, would involve recreational and commercial boaties, ferry users, tourism operators, people holidaying in their baches, all those people, he didn't go there. He only went to the houses where there were permanent residences to get an overview of what the social impact was and, thereby, measure visibility. There's no doubt that visibility counts. It is one count that you would have to make for social impact but it's not the whole of social impact.

10 MR DORMER: No, it can't be, can it?

MRS HELLSTROM: Not according to any definition.

15 MR DORMER: No. I understand what you're saying now but it's just a little bit different to what you were saying in your text.

MRS HELLSTROM: Yes, okay.

20 MR DORMER: Well that's okay.

MRS HELLSTROM: Thank you.

25 MR DORMER: I don't always express myself with great clarity either.

MRS HELLSTROM: I try.

MR DORMER: Thank you.

30 MRS HELLSTROM: Thank you.

MR CROSBY: Probably more a landscape/seascape question for either of you to answer and I was just looking at the paragraph that you quoted, Mr Hellstrom, paragraph 697 of the Board of Inquiry saying that:

35 "The salmon farms are a highly-visible form of marine farms. As a consequence, the mere presence of salmon farms in the Waitata Reach and their cumulative effects constitute a substantive issue in respect of the effects of the proposal on the natural character of that Reach."

40 You've stressed to us the long view, for example, going out from Havelock. Just looking at the map of what the Board of Inquiry granted, the farm at White Horse Rock rather on the western side and the one at Richmond Bay north must impact already on that view there.

45 DR HELLSTROM: They do indeed.

MR CROSBY: Yes.

- DR HELLSTROM: Yes, the question is whether that's a sufficient reason to add more but they do impact.
- 5 MR CROSBY: Right.
- DR HELLSTROM: Fortunately, the ones that were proposed at the entrance to Pelorus Sound were not proven.
- 10 MR CROSBY: Right. Yes. No, thank you both for the thought and effort that you put in. Thank you.
- CHAIRPERSON: I just have one question, it arises out of the conclusion, I haven't got the numbered page but it's the first paragraph of your conclusion where you've used the word that, "Intended use of section 360 to override --
- 15 MRS HELLSTROM: Yes.
- CHAIRPERSON: -- the Sounds Resource Management Plan." Now, I question you on the use of the word "override" because this is a statutory process to change a plan, isn't it?
- 20 MRS HELLSTROM: Yes.
- CHAIRPERSON: So, why do you say "override"?
- 25 MRS HELLSTROM: Well, I confess that it's actually a mistake. If you go back to the second to last or the last paragraph on the first page, I did say at the time I put override but I'm changing it to circumvent and I should have transferred that circumvent to there.
- 30 CHAIRPERSON: All right. Yes, thank you for reminding me about that.
- MRS HELLSTROM: Yes.
- 35 CHAIRPERSON: So, why do you used the word "circumvent"?
- MRS HELLSTROM: Okay. Well, in fact if you recall the initial Board of Inquiry application by King Salmon was to create a third CMZ3, which would be outside the existing zonings of the Marlborough District Council for aquaculture, in other words, just a purpose-built special zone for salmon farms.
- 40 CHAIRPERSON: Yes.
- 45

5 MRS HELLSTROM: The use of section 360 will prevent the District Council from applying its current zonings to where the salmon farms are. At the moment, under the existing Plan, we've got CMZ1 and CMZ2. Some of the proposed new sites are in CMZ1 and I think some of them are probably in CMZ2. I haven't actually done that analysis of where they are. But the existing zoning will have -- if section 360A is used it takes no note of any existing zoning that the Council will have. The Minister will have the right to say, "Yes, yes, you can put them there". Whatever plans, either in the current ones or in the future ones, they will circumvent those plans.

CHAIRPERSON: But the future one hasn't been determined yet.

15 MRS HELLSTROM: No, it hasn't. It is being determined by hearings this year. It's out for consultation at the moment, so it's in process.

CHAIRPERSON: Yes, but not in respect of salmon farming though, is it?

20 MRS HELLSTROM: No.

CHAIRPERSON: There's no chapter --

MRS HELLSTROM: Salmon farming is right outside it.

25 CHAIRPERSON: Sorry?

MRS HELLSTROM: Salmon farming hasn't even been included in it.

30 CHAIRPERSON: Well, it will be at some point.

MRS HELLSTROM: The Aquaculture Working Group is not considering salmon farming. The salmon farming process has been perceived to be right outside the Council planning process and I think, Mr Crosby, you would probably accept that.

35 MR CROSBY: Well, no, I'm afraid I don't --

MRS HELLSTROM: Righto.

40 MR CROSBY: -- know what the Aquaculture Working ...

MRS HELLSTROM: I'm a member of the Aquaculture Working Group in salmon --

45 CHAIRPERSON: You are?

MRS HELLSTROM: Yes, I am.

CHAIRPERSON: Yes.

MRS HELLSTROM: And salmon farms haven't raised their heads above the counter there at all, so --

5 MR CROSBY: Sorry, just so that I get an understanding of that, is that Aquaculture Working Group working on the proposed provisions of the MEP?

MRS HELLSTROM: It's working for -- yes, because the aquaculture chapter was left out of the proposed MEP --

10

CHAIRPERSON: Yes.

MR CROSBY: Right.

15 MRS HELLSTROM: -- in order for further community consultation to happen.

CHAIRPERSON: Yes.

20 MRS HELLSTROM: And that's happening now. But aquaculture as -- well, it includes fin-fish farming and it includes mussel farming and probably includes cockles and lots of different things but in reality it's concerned mainly with the 500-odd mussel farms in the Sounds.

CHAIRPERSON: Yes.

25

MRS HELLSTROM: There's been no mention in that working group at all of salmon farming.

CHAIRPERSON: Okay.

30 MRS HELLSTROM: The salmon farming is being left aside because of this process.

CHAIRPERSON: Right.

35 MR DORMER: So it's still not circumventing, is it, because the proposed Plan has no provision and if it has no provision those provisions can hardly be said to be circumvented?

MRS HELLSTROM: No, the provisions I'm referring to are those provisions around about zoning of water and zoning of landscape.

40

MR CROSBY: You're meaning in the operative Plan.

MRS HELLSTROM: Yes, yes. I wasn't talking about --

45 CHAIRPERSON: Yes, well that brings me back to my earlier point, if there's a change to the Plan that's not a circumvention, is it, that's a change to the Plan?

MRS HELLSTROM: Yes. If there's a change to the Plan --

CHAIRPERSON: Yes.

5 MRS HELLSTROM: Now, let's take, for example, if there's a change to the Plan and under section 360 a farm is put at --

CHAIRPERSON: Forget about section 360.

10 MRS HELLSTROM: Well under --

CHAIRPERSON: If the Plan is changed --

MRS HELLSTROM: Yes.

15 CHAIRPERSON: -- that's hardly a circumvention, is it?

MRS HELLSTROM: If the Plan is changed under this process and there's a recommendation that salmon farms are relocated to these newer sites --

20 CHAIRPERSON: Yes.

MRS HELLSTROM: -- and one goes to, for example, Blow Hole Point --

25 CHAIRPERSON: Yes.

MRS HELLSTROM: -- under the existing Plan that's actually CMZ2 and that could be allowed. Under the future plan that's going to be most likely on outstanding natural landscape, I know we're working under the existing Plan for this.

30 CHAIRPERSON: Yes, yes.

MRS HELLSTROM: Under the existing Plan, outer Tory Channel has been described as high-landscape value and is shown as such. So --

35 CHAIRPERSON: But where's the circumvention?

MRS HELLSTROM: I suppose I could change it to "replace".

40 CHAIRPERSON: Yes.

MRS HELLSTROM: Yes, replace, I'd accept that.

45 CHAIRPERSON: Okay.

MR DORMER: Circumvention is an emotive word.

MRS HELLSTROM: Yes, it is.

- MR DORMER: It has elements of underhand dealing to it.
- MRS HELLSTROM: It does, I know that.
- 5 CHAIRPERSON: Well that's what they're trying to say. Well I hope it's not thought that this process is underhand.
- MRS HELLSTROM: No, not at all. No, I'm relieved that this process is happening.
- 10 CHAIRPERSON: Yes, yes.
- MRS HELLSTROM: I do not, for a moment, believe it's underhand but I did describe some of the things that I regarded --
- 15 CHAIRPERSON: Yes, you did.
- MRS HELLSTROM: -- as having been underhand.
- 20 CHAIRPERSON: Yes, you have and we've noted that. Thank you very much, both of you for coming.
- MR DORMER: Can I just carry on from that point?
- 25 CHAIRPERSON: Yes, yes.
- MR DORMER: You've noted things that in the other aspects of this procedure that you think are a bit underhand and one of them, I think, was under 2A, conflicts of interest; the penultimate paragraph on the second page.
- 30 MRS HELLSTROM: About the iwi representative?
- MR DORMER: Yes.
- 35 MRS HELLSTROM: Yes, and I said at the time when I read that, this is slightly beside the point but put it here because it's relevant.
- MR DORMER: Sorry, I don't ...
- 40 MRS HELLSTROM: It was beside the point of conflict of interest. It was around about --
- MR DORMER: I'm struggling to think of its relevance for us. I can see its relevance for the process --
- 45 MRS HELLSTROM: And that was why I put it there.
- MR DORMER: -- but we're a different part of that process.

MRS HELLSTROM: Yes, but you do need to hear about the parts of the process that have contributed towards this part of the process. So, one of the main feeders in was the work of the Salmon Working Group. If that group had not been you would not be here now --

5

MR DORMER: Would we be?

MRS HELLSTROM: -- or unless entirely circumvented and there's a good way of using the word, that part of the section 360B which required that such a process happen.

10

CHAIRPERSON: But we're part of that section 360B.

MRS HELLSTROM: You are, yes, and so was the working group.

15

CHAIRPERSON: Yes, yes.

MR DORMER: So, I guess I'm saying there that in terms of process it did not seem correct at the time that we did not have effective or sufficient iwi representative on that working group, given that section 360B actually asks for it.

20

MR CROSBY: How did the two iwi representatives get nominated, do you know?

MRS HELLSTROM: Apparently they were nominated, so we were told, by the Council Iwi Forum. I think that's right.

25

DR HELLSTROM: I think it was the Te Tau Ihu Forum, the Māori Fisheries Forum.

30

MR CROSBY: The Fisheries Forum.

CHAIRPERSON: For fisheries, yes.

MRS HELLSTROM: Yes, and so initially the Te Ātiawa person came out of that forum, belatedly that person then said, "By the way, we've got a partnership with King Salmon".

35

CHAIRPERSON: Yes.

MRS HELLSTROM: So, I said what I said.

40

CHAIRPERSON: All right. Thank you both again very much for coming. We're sorry you've been delayed today but we're grateful to you for coming and talking to us about it. Thank you. Penelope Gluyas.

45

MS GLUYAS: You should have -- I emailed a few weeks ago --

CHAIRPERSON: Yes, I think we have.

MR CROSBY: We have.

MS GLUYAS: Right.

5 CHAIRPERSON: We've got a four-page statement.

MS GLUYAS: Yeah.

10 CHAIRPERSON: And something else.

MS GLUYAS: Oh, I think some maps. Oh, there's an article from the Marlborough Express.

15 CHAIRPERSON: There's an extract from the Marlborough Express.

MS GLUYAS: Yeah.

CHAIRPERSON: Yes.

20 MS GLUYAS: And the maps. The -- from Boffa Miskell. That's it there.

CHAIRPERSON: Have we got?

25 FEMALE SPEAKER: No.

CHAIRPERSON: We haven't got that.

MS GLUYAS: Oh, that's all right. I put it there for reference really.

30 CHAIRPERSON: Hmm. We've probably got it somewhere else.

MS GLUYAS: Yeah.

35 CHAIRPERSON: Yes.

MS GLUYAS: No. That was from evidence, I think, in earlier submissions.

CHAIRPERSON: Are you referring to it somewhere in here?

40 MS GLUYAS: Yes. I think --

CHAIRPERSON: We'll come to it, in that case. You just read your statement, thank you.

45 MS GLUYAS: I've actually -- there's a lot of things in my statement that I could perhaps abbreviate.

CHAIRPERSON: Just read it, would be the quickest way for us to get it through it.

MS GLUYAS: Oh no, there's -- I wrote about the principles of public consultation. It would take a lot of time to read through and I think that you are all familiar with the principles of consultation.

5

[2.45 pm]

CHAIRPERSON: Oh, yes.

10 MS GLUYAS: And I think the Minister was made aware of those principles in both the Regulatory Impact Statement and I think the Salmon Farm Working Group in their -- in their report, made recommendations to the Minister that the public be given 10 weeks to be informed of this hearing and to be -- to try and write a submission, and I --

15

CHAIRPERSON: Well, you had eight weeks in the end.

MS GLUYAS: Yes, in the end we got eight weeks.

20 CHAIRPERSON: Yes.

MS GLUYAS: And that's really my point, that it was a hell of a lot of information to get through to make -- I think a lot of people were daunted by that fact and they didn't even bother to try and make a submission, because --

25

CHAIRPERSON: Right.

MS GLUYAS: -- and this is quite an important part of the use of the Resource Management Act. It's never been done before and I think -- I was insulted that we got eight weeks, and I think the people of Marlborough who have worked pretty hard over the years to come up with a good plan for the Marlborough Sounds, have -- they've spent a lot of time. I think the ratepayers have spent a lot of money -- haven't been given due regard for this.

35

CHAIRPERSON: But they're two different issues there.

MS GLUYAS: Yes.

40 CHAIRPERSON: One, your concern about everything that's gone before --

MS GLUYAS: Yes.

CHAIRPERSON: -- and we've heard a lot about that already.

45

MS GLUYAS: Yes. I understand that.

CHAIRPERSON: From last week, or the week before.

MS GLUYAS: Yes. I understand that.

CHAIRPERSON: The other is, what you see is a short -- too short a time for this --

5 MS GLUYAS: Absolutely.

CHAIRPERSON: -- particular proposal. They're two different --

10 MS GLUYAS: Yes.

CHAIRPERSON: -- things, aren't they?

MS GLUYAS: Yes.

15 CHAIRPERSON: Yes.

MS GLUYAS: But the proposal, as I said, hasn't been used before and that if it is used and the changes to the plan are made, that a lot of work and money has been spent for nothing.

20 CHAIRPERSON: Okay. I think we're all familiar with the Wellington International Airport case.

25 MS GLUYAS: Yes.

CHAIRPERSON: Are you a lawyer, by the way?

MS GLUYAS: No. Sometimes I wish I was with all the paperwork I've had to look at.

30 CHAIRPERSON: Okay.

MS GLUYAS: And to get a good understanding of all this.

35 CHAIRPERSON: Okay.

MS GLUYAS: My job is actually a -- I'm a contract skipper and most of my work is in the Pelorus Sound.

40 CHAIRPERSON: You're a contract?

MS GLUYAS: Skipper. So, I --

CHAIRPERSON: Oh, you're a contract skipper?

45 MS GLUYAS: Yes so, I drive boats.

CHAIRPERSON: Yes.

MS GLUYAS: I'm very lucky that I get to drive boats around the Marlborough Sounds. I consider it a privilege.

5 CHAIRPERSON: I'm sure you do.

MS GLUYAS: We get to show a number of tourists --

10 CHAIRPERSON: Yes.

MS GLUYAS: -- around the Pelorus Sound and one of those areas we do visit is the Waitata Reach. I think in the tourism information that's available, the Pelorus Sound is probably not very well represented and that's possibly a good thing, because it's a very unspoilt part of the Sounds. In fact, it's one of the few places in the Sounds that has very high ratings in terms of landscape values.

20 If there were -- I think this Board of Inquiry, by the way, got it right in terms of how many farms there should be out there. Fish farms, and any sort of farms, that they got it right. That there isn't really any more room. Now whether they've considered that just with the visual aspects or whether they've considered that with the scientific evidence, I'm not sure, but I certainly think that there should be a lot more research done on the hydrodynamics of the Pelorus Sound.

25 I think the models that NIWA did had made a lot of assumptions and one of those assumptions was -- this is in regards to the water column sampling and modelling. They assume that the Pelorus River is going to provide this wonderful flushing mechanism and that's going to go on forever. We've seen what mother nature can do with her landscaping lately; that that river could get blocked; that water supply, the flushing system, could stop. We also have droughts in Marlborough. There is nothing -- a lot of fishermen know that the Pelorus River is not always that good for fishing because it dries up.

30 So, that's I think an area that, before we go putting more farms, fish farms in this region, that the hydrodynamics are studied with a lot more vigour. There's certainly research out there by -- in the past. I think Mr Heath looked at the asymmetric tidal systems of the Pelorus and there's been work done within -- near the Kenepuru Sounds, to study the internal tidal system of the Pelorus Sound. It's a fairly complex issue and just even having salmon farms in the current -- in the Pelorus Sound in that area, NIWA expects that that will have an impact itself by 5 per cent. That's their guess. They didn't do any research on that.

40 So, there are a huge number of issues in that area, that I think really need to be studied before further salmon farms or fish farms or any sort of -- any sort of farms that affect the flow.

CHAIRPERSON: Okay.

5 MS GLUYAS: So, I'm just taking this opportunity to maybe help the Minister with his decision.

10 Another area, I think using the 360A section, there's possibly a more appropriate method of working through this salmon farm -- salmon farming issue in the Marlborough Sounds and that's maybe to look at New Zealand Coastal Policy Statement Number 4, that, particularly where significant adverse cumulative effects can be anticipated, that a more collaborative, more -- I think it's a management issue, that there's more discussion from a group of people, rather than one Minister deciding how this should be handled.

15 CHAIRPERSON: Right.

20 MS GLUYAS: So, another wonderful thing about the outer Sounds, the outer Pelorus Sounds, is, it is forgotten by the tourists. I think the tourism of Marlborough and it's because of that, it's a place where -- if we have one place in the Marlborough Sounds where the people can come to enjoy the peace and quiet, experience some solitude. We get a number of tourists from Germany, who -- this is from the suburbs of Frankfurt. This part of the Sounds is relatively accessible and it's safe to get to, most days. If you compare the suburbs of Frankfurt with the outer Pelorus Sound, they get a feeling of the wilderness and remoteness and that's a rare commodity and I think the Marlborough District Council understands that, in terms of the future requirements of the tourism industry.

30 So, that's pretty much --

CHAIRPERSON: That's what you want to say?

35 MS GLUYAS: Yes, and I think the Hellstroms and Peter Beech have covered a lot of --

CHAIRPERSON: Yes.

40 MS GLUYAS: -- a lot of stuff that I could say, but I --

CHAIRPERSON: Okay.

MS GLUYAS: The fact that you've had a bit of delay today, I'm not going to talk about.

45 CHAIRPERSON: That's all right. Why did you attach the Marlborough Express --

MS GLUYAS: That was --

CHAIRPERSON: -- statement from July of last year?

5 MS GLUYAS: Yes, I think that was all part of the process that I'm concerned about. The Hellstroms have put a lot more emphasis on the working group. I've used that to imply that there was a determination by the MPI and salmon farming, to have this proposal put in front of everybody by that working group, that rather than --

10 CHAIRPERSON: So, it's to give us a bit of a background on --

MS GLUYAS: Yes.

CHAIRPERSON: -- on the working group? Yes.

15 MS GLUYAS: Yeah. The -- you know, Eric Jorgensen made the comment that the MPI would propose this and Grant Rosewarne had made the comment that that was his preferred proposal, although he didn't mention the Pelorus Sound farms at that stage, so --

20 CHAIRPERSON: Right.

MS GLUYAS: -- I think there's been a general, sort of, trying to keep the Pelorus Sound out of the picture until the last minute.

25 CHAIRPERSON: Oh, I see.

30 MS GLUYAS: So -- because it's where a lot of the farms are going. The Boffa Miskell report is really there to show that the Marlborough District Council are limited to where farms can go. Not just because there's so many areas of outstanding natural beauty out there and that the king shag are there. It's because salmon actually can't survive in water above 20 degrees because they die. They can't get enough dissolved oxygen. So that's a limiting factor in itself, and King Salmon have been doing their utmost to try and breed Chinook salmon -- that research goes back to the 1950s that these fish need oxygen to breathe, and that oxygen's not available in water over 20 degrees.

CHAIRPERSON: All right, thank you.

40 MS GLUYAS: Thank you, very much.

CHAIRPERSON: Just wait there, please.

45 MR DORMER: You've commented upon the need for further study of the hydrodynamics --

MS GLUYAS: Yes.

MR DORMER: -- of Pelorus Sound.

MS GLUYAS: Yes.

5 MR DORMER: And one of the assumptions you said, that was being made, perhaps wrongly, was that the Pelorus River cannot be assumed to always be flowing, and then you said there were huge numbers of issues that need to be studied. Would you like to give me two or three more?

10 MS GLUYAS: Yes, I think in the NIWA studies they indicated that the Kenepuru Sound would be an area that could be affected by increased loadings of nutrients. So, that's right up towards the head of the Marlborough Sounds -- of the Pelorus Sound. And also the Mahau Sound. I think these have implications, also, for the mussel farming. If we do have scientific evidence that adding nutrients to the outer Sounds will have an impact on the inner Sounds, there's also the shallow tidal areas of Duncan Bay and Nydia Bay, that are similar areas to the Kenepuru where they are away from the main drainage areas of the Pelorus Sound and away from that flushing effect of the Pelorus River.

15  
20 MR DORMER: Okay. I've got at least two there, anyway, thank you.

MS GLUYAS: Sorry?

25 MR DORMER: I've got at least two more there.

MS GLUYAS: I think there's also an interesting asymmetric tidal flow in the Pelorus Sound. It has been studied. But basically the tide comes in for longer than it flows out. Not so much in volume, but just the time. So there's more time when the water is in the Sounds than when it is out of the Sounds, if that makes sense.

30  
35 There's also an inversion of fresh water and sea water and this is quite apparent if you -- after a flood. You'll see that inversion goes right out to the Sounds. So, the fresh water sits on top of the sea water and in the Waitata Reach, where we get a lot of dolphins feeding, it's because of this inversion of the fresh -- of the sea water coming in meeting the fresh water, causing an inversion and that's the Waitata Reach, off Post Office Point, is one of the main feeding areas for dolphins. Of all species. So, because of that inversion.

[3.00 pm]

45 MR DORMER: Yes.

CHAIRPERSON: Right?

MR DORMER: Yes, thank you.

- MR CROSBY: Did you say that you've been running the mail boat out to Pelorus?
- 5 MS GLUYAS: I did used to work on the mail boat and I've now since been working for Water Taxi. So, yes, the mail boat.
- 10 MR CROSBY: Can you give us some -- I know it's a range and I know it varies depending on vessel, but can you give us a range of what you mentally regard as being the travel time from Havelock to say Te Rawa Point and then from Te Rawa Point to Post Office Point?
- MS GLUYAS: Te Rawa Point was about an hour and a half. If you were going straight out.
- 15 MR CROSBY: Yes.
- MS GLUYAS: This is on the mail boat.
- MR CROSBY: Yes.
- 20 MS GLUYAS: It goes about 10 knots, so about -- yes, about an hour and 20 minutes to Te Rawa and then another hour out to Post Office Point.
- MR CROSBY: Right.
- 25 MS GLUYAS: The mail boat made -- makes lot of stops, so -- and it varies on time, so ...
- MR CROSBY: Right.
- 30 MS GLUYAS: They are building a bigger vessel to accommodate more tourists. There's a much greater demand for tourists out there to -- seeking out these sort of places. Queenstown and the Abel Tasman are getting a bit overcrowded so there is certainly -- the Sounds out of Pelorus, is certainly an area where people were searching out.
- 35 MR CROSBY: Thank you.
- CHAIRPERSON: Thank you very much.
- 40 MS GLUYAS: A pleasure.
- CHAIRPERSON: Thank you for coming.
- 45 MS GLUYAS: Thank you very much for your time.
- CHAIRPERSON: Right. Norm Gourdie. Now, we've got a statement here from you, Mr Gourdie.

MR GOURDIE: Yes.

5 CHAIRPERSON: Would you position yourself in front of the microphone, please? Yes, that's better. I think the quickest way to proceed would be for you to read your statement, thank you.

MR GOURDIE: Yes, that's what I intend to do.

10 CHAIRPERSON: Yes.

MR GOURDIE: I'm Norm Gourdie. I live here in the Sounds in Ngakuta Bay. That's the one in Queen Charlotte Sound, just up the Sound from Picton.

15 CHAIRPERSON: Yes.

MR GOURDIE: Since 1981. That's 36 years and I'm, despite wearing blue, I'm actually quite green and I'm passionate about looking after this environment and all of New Zealand. Our world for that matter. I am not a practised public speaker, and I will be reading my comments.

20 CHAIRPERSON: Yes, please do.

MR GOURDIE: Practically as written.

25 CHAIRPERSON: Yes.

MR GOURDIE: I think you're going to have a problem with emotive words in my presentation.

30 CHAIRPERSON: Just read it, thanks. Just read it.

MR GOURDIE: Okay. I'm just a layman. I've not studied hearing protocol and etiquette, so I ask you to excuse me if I haven't adhered precisely to the correct format and detail in my comments. You may find my views, strongly worded, but this now is actually a milder version of my feelings, in my attempt to use diplomatic language. However, I would appreciate your attention and assiduousness in passing them onto the Minister.

40

5 My comments will avoid repetition of the technical evidence and expert  
comment presented in other opposing submissions, though I request the  
Panel to note that I endorse and support any information presented here  
that is factual, true and has integrity, while at the same time I would  
urge the Panel to join me in rejecting any manipulation of information,  
whether by selectivity, glossing over relevant points, or lying by  
omission, and accept only full honesty and full disclosure. In my view  
the information provided by MPI to the public, before the submission  
period, was in the nature of propaganda. Painting a rosy picture of their  
proposal, and omitting relevant negative aspects.

10  
15 I am addressing this important issue voluntarily, using only my own  
money and especially my own time. I actually resent having to devote  
my time in fighting this issue, but it is important to do so, to counter a  
campaign lacking in integrity and credibility, that threatens the  
wellbeing of the beautiful and, in healthy ways, the bountiful potential  
of the entire Marlborough Sounds and its visitors.

20 I am concerned the government are using the South Island and its sea  
as their dumping ground. Would this sort of pollution be acceptable in  
the Bay of Islands? No, I think not. They have given the Bay of Islands  
many new marine reserves, but have denied the Sounds any,  
presumably to keep the gate open for greater exploitation here.

25 And, in saying that, I must express my mildest disappointment in the  
Ministry for Primary Industry, the Minister himself, and this National  
Government as a whole, who, in this case, are doing all they can, legally  
or not, morally or not, in spending an exorbitant amount of money and  
staff time, in a, patently obvious championing, of one company, New  
Zealand King Salmon, to help boost their profits. A company that is  
largely foreign owned, to boot. And to the obvious detriment of the  
environment.

35 Had they used those resources of money, and staff time, to work  
towards a cleaner, greener NZ, they would have achieved a much  
healthier alternative for the world than their bending over backwards  
to provide the wealthy world with another luxury, at the neglect of the  
poor. I despair, that this appears to be business as usual, for them?

40 I question whether MPI's brief, mandate, whatever, gives them the go  
ahead to use tax payers' money to boost a monopoly operation which  
uses and abuses the Sounds environment, absolutely free, while taking  
very little account, as shown by their selective proposal documents, of  
all the other values, including the obvious economic benefits of  
45 maintaining the Sounds in a clean, beautiful state.

5 In adopting the machinations that they have, this government, its  
Minister and its Ministry, is being, undemocratic, condescending to its  
public, and unfair in its selective mis-dissemination of relevant  
information. This is especially illustrated by omission of mention of  
their salmon farm diseases, the glossing over of intelligence and facts  
including data on algal blooms; economics; king shag welfare;  
inadequate reporting of monitoring of existing farms as was required  
by the Board of Inquiry; misrepresentation of statistics; and effects on  
other species, landscapes, natural aspects and cultural aspects.

10 A whole lot of additional research and information, with the full,  
unskewed disclosure of the effects of salmon farm interference in the  
Sounds, should have been produced by King Salmon before the  
proposal was even looked at. I'm not sure whether this amounts to a  
15 lack of information, or selective provision of information, or  
manipulative disinformation, but I find this approach, to be immorally  
sneaky, disrespectful to everyone involved, and personally insulting.

20 What sort of government have we got that they think this basic  
dishonesty is acceptable? I don't. Perhaps I am an idealist but whatever  
happened to basic humanity, honesty, respect and plain speaking here,  
in this wonderful world leading, country of ours?

25 Others appearing have submitted more detail in regard to these issues  
so I won't elaborate. However, please note I do support evidence  
submitted that shows detriment to the Sounds and its waters in more  
detail than my own, and rebuke the Ministry for their selective failure  
to investigate fully these aspects.

30 Very little attention has been paid by the Ministry for Primary  
Industries on many areas of relevance. Aspects such as benthic  
destruction; water column maltreatment; nitrogen imbalance; oxygen  
depletion; methane production; ozone depletion; consequent global  
35 warming effects; head in the sand neglect of data from other salmon  
farm best practice in different parts of the world; navigation hazards;  
effects on the welfare of fish, shellfish and a natural, balanced, sea  
environment for all of the native species already living in the Sounds.  
These are vital questions, to which MPI has hardly attended.

40 Even the Panel's terms of reference appear to be used to -- as a means  
of direction towards MPI's wants. They appear to be applying not fair,  
but foul means to achieve their craved for outcome. It seems the  
previous attempt, via the Board of Inquiry, was not lucrative enough  
45 for them, so they're trying underhandedly, in my opinion, a method  
which is less democratic, less transparent, less opposable and tries to  
deviously bypass the previous existing legal rulings and limitations  
regarding salmon farming in the Sounds.

5 King Salmon is a careless operator who, throughout their time of  
interference with the Sound's environment, have been a serious  
polluter. A dearth of modern -- a dearth of monitoring by MPI and  
evidence that the existing high flow farms are even now not meeting  
10 the benthic guidelines, suggests, very strongly, to me that King Salmon  
will continue to focus on their profits and treat the welfare of the  
Sounds as insignificant. How can anyone reasonably believe that they  
will perform any differently in the future, or that MPI, in their blinkered  
support for New Zealand King Salmon, will perform any better at  
15 policing them? What future is in store for the Sounds if this disaster  
goes ahead? More destructive intrusions will likely follow this  
precedent.

20 This acceptance of the ongoing defilement, by King Salmon, illustrates  
clearly the attitude of the government toward the Sounds. The Sounds'  
biodiversity is already compromised by the salmon farms and the  
failure and indifference of the Ministry to prevent their pollution. Are  
they going to get King Salmon to clean it up? I ask the Minister to  
25 seriously consider this and answer.

30 I agree with the Environmental Defence Society's analogy of  
comparing King Salmon's wanting to expand and move their polluting  
farms to areas with greater flow, to the dairy farmer polluting a small  
stream then, in mitigation, increasing his herd by four to five times and  
25 dumping the augmented waste into a faster flowing stream, to dissipate  
it. This illustrates very clearly to me, the distorted attitudes of those up  
North, and business, towards our Marlborough Sounds. Seeing its  
values as insignificant, and to be ignored in favour of more money.

35 MPI. What arrogance, their proposing to ride roughshod over the  
existing legal structure, which has been carefully studied and instituted  
in law including the Supreme Court rulings; the RMA's intent for the  
area; the Marlborough District Council and community's Regional  
Plan; the Regional Policy Statement; the Coastal Policy Statement.  
30 What disrespect they show the MDC in totally ignoring their local  
expertise, and ability to manage their own area. How deep in the mire  
are MPI digging, in trying to use 360A for its very first outing in the  
hope of getting what they want for King Salmon's profits?

40 Already much work, careful considerations and legally binding rulings  
have been produced regarding salmon farming in the Sounds,  
highlighting the values of the area and limiting the intrusion of salmon  
farms, but here we are having to go over it all again because the  
government thinks it can inveigle in a new intrusion, for King Salmon  
45 exploitation of the area, by giving the same aims a slightly different,  
dodgy, angle.

5 I don't understand this. Surely this is not what government departments are authorised to do. I worked for DOC for 18 years where, I'm sure, there was a well principled culture. MPI seems to have a deceptive, unhealthy climate pervading their own environment at the top? I wonder if there is something questionable in this affair, between the Ministry and what they seem to see as an attractive company.

10 Be mindful of the history, particularly by the MPI's Marlborough Salmon Working Group, of less than fair, and even unprincipled, behaviour, as you just heard before, and I will say that this behaviour by MPI could be considered abusive.

[3.15 pm]

15 CHAIRPERSON: Yes, you're in the middle of a sentence there.

MR GOURDIE: Yeah, I'm looking to read on.

20 CHAIRPERSON: "Even unprincipled behaviour towards the volunteer groups". If you pick it up there. "Towards the volunteer groups, representatives".

MR GOURDIE: Yeah. Representatives and individuals, as you consider MPI's approach to this argument.

25 I thought government was meant to be for the people. This government is concerned, not with people, but purely for the economy. Even the OECD identifies this. Please remind government of the Paris Accord and how they should be paying much more attention to the environment, even in the South Island.

30 MPI have shown now they are very aware of pollution from salmon farms, yet they've practically ignored doing anything about it before irresponsibly condoning it as if it was totally acceptable here in the Sounds. They appear to be taking again, selective interest now that it suits them. So they are pretending now to be the salmon shit police, when they were so quiet before, letting King Salmon away with it all these years. Can we trust them to act any differently in future?

40 It would be laughable how MPI, in their proposal, note the area of the new farms to be equivalent to the existing, when in fact the effects will be multiplied so hugely, except we can't laugh when this is such an important distinction. Are they suggesting that 4 or 5 times the uneaten feed and 4 or 5 times the shit excreted from these farms are not going to impact on the water and seabed in a greatly extended area? They look at just their abbreviated footprint, no further. They either don't know or are not revealing this information, if they have researched this. I find their attitude towards everyone involved to be condescending at least. I ask, was this a puerile attempt to hoodwink us?

5 Where is DOC? Where is Marlborough District Council involvement?  
Where is the Ministry for the Environment? The very people who have  
the mandates and the expertise to consider the relevant issues in play  
here. Silence. All muzzled by the government pressure to reinforce  
MPI's one sided plan with the aim of bulldozing through their  
inappropriate support for King Salmon. It is these organisations in  
accord with the community, whose plan is being threatened with  
10 overturning. Who are the experts on the environment but DOC, the  
Environment Court, the Ministry for the Environment, for heaven's  
sake? Are they misnamed that they have been excluded, totally  
silenced here? Or do MPI consider this proposal has nothing to do with  
the environment?

15 I would like to complain, loud and clear, about the very short timeframe  
we, the opposition, were given to compile our case and I hereby apply  
for an extension of time now, to research especially, what additional  
information MPI has kept from us. We are ordinary people who have  
normal lives to live. This process is an imposition at best, an unhealthy  
20 stress, trying to gather the facts and putting them together in such a  
short time allowed knowing that the MPI had been working on this for  
years. That is patently not fair. I put to you that they have been acting  
far from fairly throughout this process and urge you to take this into  
consideration here; one public drop-in opportunity, if you could call it  
25 that, a one-sided propaganda exercise that was meant to satisfy the  
public consultation requirement. Yes, I attended one in Havelock.

30 I'm closing now, but perhaps you have noticed, but I emphasise I am  
gargantuanly opposed to this proposal and I would like you to tell the  
Minister from me to reconsider its legitimacy. I personally would  
prefer to see all salmon farms removed from the Sounds. There are,  
after all, alternative open sea and land-based options available, perhaps  
more costly at this time, but minimal in comparison to the cost to the  
35 environment of this proposal's impact.

I've only attended a hearing once before, the Planning Tribunal; that  
was a good experience, especially because we run our case. I ask,  
please, that you now don't put a block on my success record. Please  
recommend to the Minister that this case be thrown out on its ear and  
40 berate him for ever presenting this proposal in the first place; wasting  
your time and mine and all that taxpayers' money. Well, I warned you.

CHAIRPERSON: All right, I've heard that before. You've done well.

45 MR GOURDIE: Thank you.

MR DORMER: I don't think you're going to get your extension of time though.

MR GOURDIE: No.

CHAIRPERSON: No, we can't do that. We can't give you an extension of time, it's not within our authority to do that.

5

MR GOURDIE: Do you agree that it was --

CHAIRPERSON: I really don't want to comment on that.

10

MR GOURDIE: You won't say?

CHAIRPERSON: No. Ten months sounds quite a long time to me, but there we are.

15

MR GOURDIE: Well, you know, we've got other things to do with our lives.

CHAIRPERSON: Yes, we all have.

MR GOURDIE: Yes, you're all getting paid, you're all working, probably paid very well, but --

20

CHAIRPERSON: Yes, I won't comment on that either.

MR GOURDIE: No.

25

CHAIRPERSON: Anyway, have you got any questions for Mr Gourdie?

MR DORMER: No questions, no. Thank you.

30

CHAIRPERSON: No.

MR DORMER: I think he's made himself very clear.

CHAIRPERSON: I think he has too, yes. I'm left in no doubt what you think.

35

MR GOURDIE: Thank you for listening.

CHAIRPERSON: Thank you for coming.

40

MR GOURDIE: Paul Kintyre(?), I had dinner with him last night, your cousin --

CHAIRPERSON: Right. Yes.

MR DORMER: Bias there, surely. I think it's another case of conflict of interest or both.

45

CHAIRPERSON: Yes.

MR GOURDIE: It's the first time I met him. Thank you very much.

CHAIRPERSON: Oh, okay. Thank you. Now, Ron and Lorraine Rolston?

(off mic conversation)

5

CHAIRPERSON: All right. Right, thank you.

MR ROLSTON: Just before I start, on the Sunday before this Advisory Panel started, my wife and I were fishing on my favourite spot, which I mentioned in my submission, on a stunningly absolutely beautiful day and the only thing disturbing our fishing was a big black helicopter full of people going up and down the Sounds.

10

CHAIRPERSON: What time of the day was this?

15

MR ROLSTON: That's the time of the day that you guys were having a look around.

CHAIRPERSON: Are you sure it was us?

20

MR ROLSTON: I'm pretty sure.

CHAIRPERSON: That's why I asked you for the time.

MR ROLSTON: If it wasn't you it was somebody that looked like you.

25

CHAIRPERSON: Oh, you could see us, could you? All right. Yes?

MR ROLSTON: I'll just read that my wife and I live in Lawrence Road in the Kenepuru Sound. We have lived permanently there for nine years but have owned our home since 1996. During this time we have fished and visited many parts of the Sounds but we wish to comment on three specific items relating to the Salmon Farm Expansion Plan.

30

First and foremost, the Plan for the farm, the name of the Plan as written Bay South No 106. We are against this position because of the reef close by named Richmond Reef. This beautiful reef structure is a very productive blue cod fishery and in fact on a fine clear day you can look down upon this reef and observe juvenile blue cod on and about the reef. We believe this reef to be a great breeding ground.

35

40

5 We have read the expert reports on the waste deposition statement that  
the waste maximum distance at 900 metres, which is mentioned in the  
summary of assessment on environmental effects, but I am not  
convinced, or we are not convinced. We believe that the outgoing tide  
will carry the waste and reach the reef 500 metres northwest. In fact in  
1995 Marlborough District Council declined an application and I attach  
that to my submission, because the Marlborough District Council  
Committee was of the opinion that the proposal had potential for  
introducing more than minor adverse effects on this reef. The  
10 Committee was also concerned about the adverse cumulative effects of  
encouraging further application in this bay in which marine farming  
was designated as prohibited in the proposed Marlborough Sounds  
Resource Management Plan.

15 In the unlikely event the Advisory Panel allows a Richmond Bay South  
farm, the Advisory Panel should insist on the Richmond Reef being  
subject to the undue adverse effects test on fishing, which is part of the  
Fisheries Act and I included that in my submission, as stipulated in the  
Fisheries Act for proposed marine farming areas. The test should be  
20 carried out close to and prior to the opening of the blue cod fishing  
season and at the same time every year. Although we very seldom  
venture as far out as the Blow Hole Point sites, the reef separating these  
two proposed farms should also be subject to the UAE test.

25 Our second concern is the obvious discrepancies in the Navigation  
Report on pages 18 and 19. I attach this report. I have some here if  
you want me to read it again; that report --

30 CHAIRPERSON: No, we've got that available to us, thank you.

MR ROLSTON: Yes. They mention that -- well, what they mention is that, somewhere  
here -- I can't find where they mention the 5 metre boats; but they  
mention that the average boat that goes out there is under 5 metres, has  
an average of five people on board and two motors of 90 horsepower  
35 or more. I think this Navigation Report was incorrect there, I think it  
should have read "over five metres" and most boaties we encounter and  
know personally are very careful when fishing the Waitata Reach with  
its very fast changeable weather, rocky outcrops and large boats  
creating wake. Without maps or onboard navigation units, it is hard to  
40 recognise the route from Elaine Bay, Havelock or Kenepuru.

45 So what I'm actually saying is here, I think you should take -- that  
Navigation Report was never peer reviewed and I think it's full of holes,  
so I think you should take it with a grain of salt, a lot of that report.

5 We also think Navigatus has under estimated the numbers and size of  
 vessels and it is not sparse, as stated on page 18 of their report. Also,  
 they have not considered the very large barges coming on stream to  
 remove the estimated 500,000 tons of logs to be harvested over the next  
 10 ten to 20 years; most going through Waitata Reach to Picton and I have  
 attached the report -- no, I'm sorry, I didn't attach that report, but that's  
 a Marlborough District Council report given to the Kenepuru and  
 Central Sounds Resident Association and we worked closely with the  
 council and the Resident Association to establish all the forestry plants,  
 all the forestry blocks in the area and when they were going to be  
 harvested and transported out. Most will be going out by barge, some  
 will go to Havelock in smaller barges, but most of them will go out  
 through the Waitata Reach to Picton by very, very large barges. I  
 15 understand there's a new barge being built that will take something like  
 1,000 tons at a time. So that will be an impact as well if that Waitata  
 Reach farm goes in the middle. So that's the reason why I've mentioned  
 that.

20 My final comment, or our final comment, concerns the two Crail Bay  
 farms. These farms have never been used by New Zealand King  
 Salmon, therefore to allocate .5 hectare for each farm of structural  
 relocation is inherently wrong and in fact in 2014 the farm sites were  
 in such a poor condition a stern letter was sent to New Zealand King  
 Salmon by the Harbourmaster, and I have attached a copy of that as  
 25 well. Down the bottom you will see my rough mathematics, which I  
 haven't used for many, many years: 1 hectare equals 10,000 square  
 metres and from what I've read and tried to research about those Crail  
 Bay farms, those polar circles appear to be 7 metres across in diameter.  
 Last week or the week before, a Graeme Clarke produced some photos  
 30 for you guys that will show you some circle farms, polar farms and the  
 Crail Bay farms; do you remember that?

CHAIRPERSON: Yes.

35 MR ROLSTON: In those photos it only ever shows seven polar circles. I know at one  
 stage they had consent for ten, but I understand they only ever used at  
 a maximum time, seven polar circles. That 7 metres, I have estimated  
 that's 1,078 square metres at 154 square metres approximately for each  
 40 polar circle, which is basically 10 per cent of the 1 hectare that they are  
 asking to be relocated. So whether you believe my mathematics or not,  
 I'm not sure, it's taken from a website, a calculator.

45 So I'd leave it at that. Thank you very much for hearing me out today.  
 I have some figures which are available on the Marlborough District  
 Council website for the logs, so you either believe me or take this. The  
 other thing I'd like to mention, that --

[3.30 pm]

- MR CROSBY: Is that -- sorry, is that the report that you were referring to?
- 5 MR ROLSTON: Yes, extracted from the Marlborough District Council -- this is the report, if you'd like it, on how many logs are going out. A huge amount of logs, mostly going out through the Waitata Reach.
- CHAIRPERSON: Oh, yes. Where was that?
- 10 MR CROSBY: Yes, what date was this report done, do you think?
- MR ROLSTON: I'm not sure of the date. That's extracted from some data that I had. I'm part of the Kenepuru and Central Sounds Resident Association and it is data that we worked together on last year.
- 15 MR CROSBY: Right. It's, yes, showing logs going out over a period 2015 to 2044, so is it presumably done in 2014 or 2015, was it?
- MR ROLSTON: Yes, I realise it's -- I think it was 2015 it was finalised. There's a lot of data in there. I would like to make the observation that that report -- that 500,000 tons of logs is over a fairly large time-scale. I think --
- 20 MR CROSBY: Yes, 10 to 20 years?
- MR ROLSTON: -- closer to 50 years.
- MR CROSBY: You said 500,000 tonnes over the next 10 to 20 years.
- MR ROLSTON: Yes, I made a mistake there. After re-reading it the data there shows something like about 50 per cent going out in the next 20 years, the rest going out in the following 20-odd years.
- 30 MR DORMER: So it is 500,000 tonnes over the next 40 years.
- MR ROLSTON: Yes, yes, approximately.
- MR DORMER: Oh, I was doing some maths while you were talking and now I've got to revise my maths.
- 40 MR ROLSTON: Sorry about that. There is a lot of tables attached to that report there that show the actual numbers that are very hard to read.
- CHAIRPERSON: So this reports emanates from the Marlborough District Council, does it or their consultants?
- 45 MR ROLSTON: The Kenepuru and Central Sounds Residents Association were particularly concerned about --

- CHAIRPERSON: No, no, just answer my question.
- MR ROLSTON: Sorry, what was the question?
- 5 CHAIRPERSON: Do these figures come from the Marlborough District Council?
- MR ROLSTON: Yes, they do.
- CHAIRPERSON: They do, so if we were to ask the council for information based on this  
10 they would have it?
- MR ROLSTON: Yes, they have.
- CHAIRPERSON: Okay, thank you very much.
- 15 MR ROLSTON: Just the final thing that I would mention is that this is a report -- a survey done by the Sport and Active Recreation New Zealand Survey for Marlborough. The fifth biggest recreation is fishing with 660 -- I don't know where they get that figure but 19.5 per cent go fishing and that's fifth behind walking, swimming, cycling, equipment based exercise and then fishing. Thank you very much, gentlemen.
- 20 CHAIRPERSON: Yes, just wait there, please, Mr Rolston.
- 25 MR ROLSTON: Certainly.
- MR DORMER: So we've got 500,000 tonnes of logs to be harvested over 40 years?
- MR ROLSTON: I don't have that report in front of me.
- 30 MR DORMER: No, I am just reading from your evidence.
- MR ROLSTON: Yes, yes. Yes.
- 35 MR DORMER: And this barge, the three large barge you spoke of, you said was capable of taking 1,000 tonnes per trip.
- MR ROLSTON: That is what I have heard.
- 40 MR DORMER: All right, so if it takes 1,000 tonnes a trip that means it would take a total of 500 trips over 40 years to clear the entire harvest.
- MR ROLSTON: Five hundred thousand it is.
- 45 MR DORMER: Yes, 500,000, this one is taking 1,000 so this one barge would clear the entire harvest in 500 trips?
- MR ROLSTON: Five hundred trips.

- MR DORMER: Over 40 years.
- MR ROLSTON: Yes.
- 5 MR DORMER: Assuming each trip lasted a day it would be going up and down the Sounds eight times a year.
- MR ROLSTON: Yes, interesting. Thank you for pointing that out.
- 10 MR DORMER: In terms of magnitude of inconvenience or threat, does that seem to you to be a real issue? Eight days a year.
- MR ROLSTON: Only if I was fishing in that space between the new farm and the shore when 1,000 tonne barge is going past.
- 15 MR DORMER: So 358 days a year is not enough for you?
- MR ROLSTON: Sorry, I am not sure about the mathematics.
- 20 MR DORMER: I am not sure about the maths either.
- MR ROLSTON: No, I would have to relook at it. I was just making the point --
- 25 MR GOURDIE: Excuse me, can I speak?
- CHAIRPERSON: No, you have had your say.
- MR ROLSTON: Sorry, I was just making the point --
- 30 MR GOURDIE: That just mathematics.
- CHAIRPERSON: He says he is not clear on his mathematics.
- 35 MR ROLSTON: No, I am not clear on the mathematics, I was really just want to make the point that the Navigation report does not mention those large barges going through the Waitata Reach. So in the Navigation report he mentions a lot of boating but he has forgotten or was not aware of these large barges going through with logs.
- 40 CHAIRPERSON: Nor has the Harbourmaster as far as I can recall.
- MR ROLSTON: I don't think he's aware of that logging report either.
- 45 CHAIRPERSON: We've had evidence from him.
- MR ROLSTON: Yes.

- CHAIRPERSON: Well, he's the Marlborough District Council employee, you think he would know about what is going to happen with shipping in the Sounds.
- 5 MR ROLSTON: I am not sure -- I'm not sure if he would be aware of the projections going forward. He's aware of what happens today, at the moment, but he's probably not aware of those projections.
- CHAIRPERSON: Yes, all right. Have you got any questions?
- 10 MR CROSBY: No.
- CHAIRPERSON: All right, thank you, Mr Rolston. Thank you for coming.
- 15 MR ROLSTON: Thank you for the opportunity.
- CHAIRPERSON: Right, Timothy and Jane Greenhough. Timothy and Jane Greenhough? Are they not there? Are Timothy and Jane Greenhough here? No, all right, Jean Loomis then.
- 20 MS LOOMIS: Kia ora, gentlemen.
- MR GOURDIE: Excuse me, I don't want you to be recording skewed information and you've concluded that a barge is only going to operate eight days a year for 40 years but they are not just going to be using one 1,000 tonne barge, they are going to be using a whole lot of smaller barges so there is going to be --
- 25 CHAIRPERSON: That would be even worse. All right.
- 30 MR GOURDIE: That's skewed information.
- CHAIRPERSON: No, you've had your say. Come on.
- 35 MS LOOMIS: My name is Jean Loomis. I moved from Gisborne to Blenheim last year.
- CHAIRPERSON: Wait a minute, have we got this --
- 40 MS LOOMIS: No, you don't and I am going to give it to you when I've finished speaking because I want you to watch what what's up here and listen to me.
- CHAIRPERSON: Well, I was going to do that anyway.
- 45

MS LOOMIS:

As you can probably tell I have been an art teacher. I taught art in New Zealand secondary schools for 30 years and now I work at my art practice full time. My submission today comes from the perspective of a New Zealand consumer. Like 99 per cent of New Zealanders I came here knowing nothing about salmon farming. Two months ago I bought a large piece of Marlborough Salmon from the supermarket for dinner. The following morning my husband came out of the bathroom all concerned saying he needed to see a doctor as soon as possible because he thought he was suffering from internal bleeding. He thought there was blood in the toilet. A little later I also had the same experience. In reviewing what we had eaten the day before I realised that the only food we had both consumed that was red was salmon. Too bad about the lights. Never mind.

So I began to investigate what farmed salmon were being fed. Wild salmon meat is naturally salmon coloured because they eat crustaceans from the sea floor. Farmed salmon are fed pellets which consist of offal from abattoirs, chicken offal and feathers, plus a red dye called E161G, which is added to the feed. King Salmon's marketing is misleading. The consumer is led to think that Marlborough farmed salmon, to quote the website:

"Is healthy and produced sustainably in the pristine waters of the Marlborough Sounds."

As a consumer, I don't like being lied to by a producer. If they are lying about this what else are they hiding. In preparing this submission I remembered a comment made about 15 years ago by my cousin who is a PR consultant in Wellington. At the time she had a contract with King Salmon and she mentioned there were stories about mutant salmon in Marlborough Sounds. She was concerned how ethically she could deliver on her contract.

Is experimentation with genetically modified salmon still taking place? If so, aren't they breaking the law? On further search of the website there is a video of an employee holding a fan shaped colour chart, rather like a Resene paint swatch showing many shades of salmon. This was being held against the flesh of a fish. I guess it was for grading purposes but in reality all it was really doing was measuring the amount of red dye in the product. The flesh of farmed salmon is not salmon coloured but a greyish-white. The whole process is an elaborate façade to fool the consumer and who knows what's in E161G.

I don't buy eggs from caged chickens and I eat only organic chicken to avoid the antibiotics. I won't eat pork because pigs are raised in pens. The farming methods used by King Salmon are proven not to be sustainable, hence the company's need to move the farms to other  
 5 pristine sites. According to NZX King Salmon have 8 functioning farms with 3 more coming on stream, that equals 11. They plan to double their existing production. They are making millions at the expense of our environment and the people of New Zealand. This is  
 10 another example of neoliberal economic models where the company uses the environment to make the products, never cleans up and never pays for the damage. These farms are floating sewers and the company's answer is to have the tide spread it everywhere. Overseas examples show that real sustainable salmon farming is done on land with filtered water and proper disposal of waste and not in the sea.

Haven't we learnt anything from the ongoing disaster of the dairy pollution of our rivers that we are now actively pursuing the same agenda in this jewel called the Marlborough Sounds? There is a  
 20 growing body of consumers, global consumers, who are very concerned about how our food is produced and it will only be a matter of time before these ethical consumers discover the lies behind this company's PR spin. If they are serious about creating salmon that are really grown sustainably they will examine all of their processes and build their salmon farms on land with proper waste disposal, otherwise  
 25 in ten years or so we will all be back here again discussing new locations for the salmon farms.

There is no plan X to go to, this is it. We must be the Kaitiaki or the guardians of whatever place we find ourselves in. At the stage of the  
 30 21st century we need to be creating marine reserves in the Sounds in order to regenerate our indigenous fish stocks not contributing to the further degradation of this special place.

I would like, if possible, to put a video on. It is only four minutes. Danny Boulton did this video in 2012, he died shortly afterwards. It is  
 35 one of the interesting things about art that it speaks after you are dead so I have asked permission if we can show this today and hopefully you will be able to see it. With that I am finished. I will give you gentlemen the handouts.

40 FACILITATOR: Are you happy to go?

MS LOOMIS: Yes, go ahead, thank you.

45 [3.45 pm]

(video played)

- CHAIRPERSON: Now, would you come back, please? Have we got that video available to us in our records?
- 5 MS LOOMIS: That film?
- CHAIRPERSON: Yes.
- 10 MS LOOMIS: Well, you would have to have permission from Danny's wife to use it. I got permission to show it but I didn't ask for permission to share it.
- CHAIRPERSON: Well, could you arrange for us to have a copy of it then?
- 15 FACILITATOR: It's available online.
- CHAIRPERSON: You have it online?
- MS LOOMIS: It's online, it's on YouTube, that's how I found it.
- 20 CHAIRPERSON: You have a reference to it have you, Louise.
- FACILITATOR: Yes.
- CHAIRPERSON: Now, who was the person who took it again?
- 25 MS LOOMIS: Danny Boulton.
- CHAIRPERSON: Danny Boulton.
- 30 MS LOOMIS: B-O-U-L-T-O-N.
- CHAIRPERSON: And you say he's deceased now.
- MS LOOMIS: Yes, I believe he lived out at French Pass.
- 35 CHAIRPERSON: And do you know, did he have an occupation that is relevant to this matter?
- MS LOOMIS: I've no idea, as I said, I only came here last year. I don't know anybody.
- 40 MR GOURDIE: He ran sea safaris at French Pass.
- CHAIRPERSON: Sea safaris? Thank you.
- 45 MR GOURDIE: Sea safaris and motels at French Pass.
- CHAIRPERSON: Thank you. And do you know when he took the video?

MS LOOMIS: I think it says on YouTube that it's 2012.

CHAIRPERSON: Yes, I think you told us that, yes. All right, thank you, Ms Loomis. Thank you very much. Thank you for coming. Liz Griffiths.

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(off mic conversation)

CHAIRPERSON: Right, you are Liz Griffiths?

10 MS GRIFFITHS: I am. Thank you for the opportunity to speak.

CHAIRPERSON: Where do you live, Ms Griffiths?

15 MS GRIFFITHS: I live in Nelson. I'm a recent arrival from Christchurch and old enough to be retired but most of my working life I've probably worked in finance, but I've worked computer systems analysis, been a teacher of maths and history in New Zealand and Canada. I have been in the Department of Foreign Affairs, so I've run around a wee bit.

20 My concern for this, I have probably spent 30 years having frequent holidays in Queen Charlotte, I've walked hundreds of miles, swam, boated, I love the place. I am like these other people who speak from a passion, but also my son and his wife and another couple are the prime owners who are mostly affected by this whole proposed relocation. They own the property in Oyster Bay most directly opposite the entrance to Oyster Bay.

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30 I would like to start reading from page 2 and go back to page 1. I am sorry I have misordered them but at the moment that's probably how I think I should address this.

35 All I can say is that my son and his wife and the other two friends that are speaking to you tomorrow, I won't go over their evidence because they can do that a great deal better than I can. I just want to say that they have been absolutely devastated. They were never consulted. They learnt about this in the newspaper the same way that everybody else did. To me it is an absolute disgrace. It is demeaning and it is not the type of democratic process that any of us can be proud of and that the MPI was party to this.

40

45 MPI learnt that they even existed at the drop in centre in Blenheim. When I went to the Nelson drop in - and I agree with the other gentleman that that was the only public consultation any of us got, that is also a disgrace. I learnt there that they had been quite amazed that actually people did live in Oyster Bay, they thought only three families might be affected. They are directly affected. Oyster Bay goes back to a second deeper level, they are the shorter level, their bay is directly opposite the entrance.

5 So significant loss of amenity value. My son's property directly in front of the proposed site when viewed from Tory Channel, there is no environmental or social or economic benefit for them whatsoever. They face significant loss of property if that site goes ahead. They have only owned the place three years. I can only testify to the fact that they have almost every weekend somebody is out there. They have had friends there during the week --

10 CHAIRPERSON: But they are going to come and tell us about this themselves, aren't they?

MS GRIFFITHS: Yes, right, they will.

15 CHAIRPERSON: Yes, so let them do that.

MS GRIFFITHS: So point 3, I am not sure how well it is documented that they can say how many tonnes of fish food go to a site, over time the sediment builds up and builds up. I am not sure how well it will be monitored, how often, who will pay. The OCEL, which is an engineering report, and I have that wee diagram in front of you which is also in my submission, which clearly shows that the peninsula on the far of Oyster Bay sticks out and therefore protrudes and a lot of the water flowing down Tory Channel gets diverted into Oyster Bay.

25 So the monitoring of waste build up is still an inexact science. I am not sure that anybody would want their grandchildren swimming and bathing in water that is becoming increasingly polluted by fish faeces. I can't imagine - point 4 - what 6,000 metric tonnes of fish feed physically looks like. I don't know how much that looks. And that is only the amount that is going into the Te Pangu site annually. Some of the resultant faeces has already been diverted from Te Pangu into Oyster Bay.

30 The more important thing is that Oyster Bay itself has infrequent and minor flows from the surrounding hills. There is no constant river flow, there is nothing to flush the accumulating sediment from the heads of the bay. It is virtually a blind bay. It has low fresh water and, as one other man stated, in a drought condition that becomes even more serious.

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To have the site directly in the centre of the entrance to the bay is just beyond belief. At least the other sites are alongside the cliff edge where there is some protection that will make it tend to go down Tory Channel. Sited in the entrance to the bay it is just going to go into the bay and over time will increase. There is already an over concentration with three major farms in close proximity in Tory Channel. There is a Ministry of Fisheries report dated 23 February 2011 and it lists the risk of over concentrating farms, the experience that they have seen in places like Chile and Scotland and Norway. We think that won't happen here, that could just as easily happen here.

Apparently to even clean the lochs in Scotland that have been so devastated with pathogens and things, they have to virtually kill everything in a loch.

King Salmon already has a long record of overstocking with serious environmental degradation, particularly, for example, at Ruakaka, along with fish deaths and skeletal deformations. There is, of course, putting an extra farm right in the centre of Oyster Bay an increased risk of algal blooming, as has happened already at Opuia Bay. The same organisms found in Opuia Bay at that time were also found in Oyster Bay. Would that mean that my son and his family would not be able to visit the bay for months as his children and the dog gravitate always to the water's edge.

I am very concerned about the Aquaculture Reform Bill 2011. Given the little time I've had to look at this I don't fully understand it but it enables any farm to overtake a mussel farm. So the Māori group and iwi group that have owned that mussel farm site but never used it at Tio Point to the side of the entrance to Oyster Bay, that now under this reform bill can be used as a salmon farm but no salmon farm can ever exist where there is a mussel farm. It is too shallow. So, of course, that is why they have moved the site to the centre of Oyster Bay, not kept it at the side. So it is effectively a brand new site and to my knowledge, to my understanding, it hasn't used the Aquaculture Reform Bill.

Needs to move to deeper water every time. I don't know who had consented that. It would possibly lead to a proliferation of conversions of the present mussel sites if the Oyster Bay site is agreed to because you have set a precedent that I believe is very dangerous. I don't know who to trust.

In future is this to -- that is another thing, I don't understand the power given to Nathan Guy who is going to be able to issue consents without a public or institutional right of appeal, bypassing the legal duty of Marlborough District Council.

[4.00 pm]

- CHAIRPERSON: Well, that actually is not right. Marlborough District Council will do the consenting. The Minister would promote the change to the plan which would authorise the consenting but the Minister would not be the consenting authority.
- 5
- MS GRIFFITHS: Right, so the Marlborough District Council could still turn it down?
- 10 CHAIRPERSON: The Marlborough District Council will continue to be the consenting authority.
- MS GRIFFITHS: That is the biggest tick I have heard, thank you.
- 15
- I also know that this new site is the closest of any of the King Salmon farms to the existing major ferry service line. There's a potential risk of site debris. My son will tell you tomorrow and has pictures of the debris that has floated into their place from places like Te Pangu. And partly that excellent video showed us things like there's a dense hydroid dominated community in the Tory Channel found nowhere else in the Marlborough Sounds. It's rare nationally.
- 20
- MPI staff were very clear at the Nelson drop in that there were effectively no other options to be found in Tory Channel but that does not validate this poor choice of Oyster Bay. I would be over the moon if it was stopped. It is in every way a huge environmental risk sitting if it goes ahead.
- 25
- Going back to the very first page, I'm sorry it's messed up like this, I will say that I found it very difficult to find the spare time to do the research for this. I had to kind of help my own processing, my own learning and how to meet new Benthic guidelines without limiting production is really what this exercise is all about. So these three paragraphs are from the Cabinet paper that is listed in the MRI list of places for us to research. Significantly to me it is an undated Cabinet paper, which I find quite extraordinary to comprehend. Paragraph 18 in that document says there that of course the Ministers of Primary Industries, Environment and Department of Conservation are to establish a working group for the targeted stakeholder engagement. That of all people the Minister of the Environment and the Minister for Conservation are involved in changing section 360A and I feel myself that there have been huge attempts to keep that covered up from the public that they were going to alter the RMA to enable the use of areas in the Pelorus Sounds that had already been designated prohibited because one of their major shareholders wanted to bail out and they wanted to get new money from new shareholders.
- 30
- 35
- 40
- 45

5 This prohibited area is as much bait to many people as it is when the government says that it is going to start mining in a national park. People value prohibited areas because we do value pristine areas. In everything I have read it more and more seems to me that there has been a deliberate cover up for King Salmon by the Ministry of Primary Industries and the Minister of the Environment and the Minister of Conservation. All of that pushed ahead by the group in the Cabinet called the Business Growth Agenda. Google the Business Growth Agenda, you'll find who the Ministers are.

10 I do make the point halfway down that first page that four of the King Salmon sites - two of them are not even currently being used, which other people have mentioned - that they will be worth less when the Benthic standards are enforced. So this is a relocation, it is a fast-tracked process enabled by a ministerial flick to shift to pristine areas where higher production can be achieved. Others have mentioned just before me, I thought it was at least three times, somebody said four to 15 five times the amount of fish food will be able to be placed if all of these relocations occur.

20 It is not so much about a relocation, it is about straight expansion, it's about increased profit, it's about using about 3, 4, 5 times the amount of fish food and that it will be better for the environment is plainly false. That is just PR spin. All this is happening in areas of outstanding 25 natural beauty with high real estate, high conservation values, owned by the taxpayers of New Zealand. The Marlborough Sounds Regional Management Plan has already designated these areas prohibited. There are many of us concerned about the degradation of another beautiful part of New Zealand. To me I have used the word "overriding" that 30 you discussed with another speaker about the local council with the authorised role to assess and issue consents, that's wrong. It is about supporting a single private company that has about 50 per cent foreign ownership. That the New Zealand Cabinet is deeply involved in this relocation makes it virtually a private/public deal.

35 Page 3. What I want to know is why this government in the first sentence on that page, is so committed to financially and legally supporting a largely foreign owned company which profits directly from publicly owned resources. This is a virtual private/public 40 partnership using the Business Growth Agenda, the Taskforce 2024, whatever it is, pushing for economic growth but not balanced with economic, environmental and social concerns being equally considered. It is not a simple relocation but a 50 plus per cent expansion and thousands of New Zealand taxpayer dollars have been 45 spent in support. I know that well over 1 million just for the relocation process alone.

5 For me more questions have arisen than I have been able to answer to my satisfaction. Why was the public given only two months to prepare submissions yet apparently select groups had been involved in planning for these relocations for two plus years before the January 2017 announcement? This shortage of time meant I found the information listed in the MPI document difficult to wade through and I suspect many others did too. I am not an expert, especially in this background.

10 I, like many others, have concern that the government is so involved in promoting King Salmon yet of its own nature government has a short term, narrow focus. Salmon farming from experience overseas is complex with high risk of long-term serious consequences. King Salmon uses publicly owned resources for its private profit. It should therefore be much more transparent and accountable to the public with disclosure of frequent audited accounts of their income, both their internal and offshore income, plus all government grants like the Trade and Enterprise grants. Their costings including skrettings, their employees and contract labour costs and administrative costs, we should be entitled to know where our resources are being used and spent. And shouldn't the skrettings formula be disclosed on the packaging? As vegans - I think that's the wrong word but people who only eat vegetables and fruit and occasional fish, and others may not wish to eat a product that has been fed on beef, pig, sheep blood used to bind, chicken feathers and offal.

25 Given essential accounting detail, might it be possible to assess whether the government has spent a lot of New Zealand taxpayers' money wisely? Could it have been better used to support scientific research, universities which are underfunded, hospitals which are underfunded, primary schools which are underfunded, etc, etc? Has this government misallocated scarce capital? Is the New Zealand taxpayer subsidising King Salmon? Shouldn't our government rather be focused on planning for tangible benefits for the Marlborough Sounds and the New Zealand public in general? Who balances the beneficiaries of King Salmon against those who bear the costs and risks of this proposal? This includes passing the risks of environmental damage to our children and grandchildren to bear intergenerational. On a per hectare basis, salmon farming is the most polluting of any industry, although it is probably about the most lucrative.

5 It is also somewhat unclear that national interest has been placed above local interest. This is intimated by other speakers. Why has the government in this instance overruled the locally elected representatives of the council? King Salmon pays no rates to the local administrative body nor has any liability for the ongoing pollution that its feed regime requires, it does not offset recovery costs incurred on its behalf to the council, it pays nothing to remedy the environmental damage it creates. Extreme degradation at Ruakaka is an example of the years of overstocking by King Salmon at this site.

10 I have been fortunate to have gained my diving certificate. I testify to the video we saw. I have seen the stunning beauty of life in the sea, yet many waters in New Zealand have limited visibility because of sediment overload. The state of the environment in the Sounds is poor in many areas. This cannot be appreciated by those who have not put their head under. So many decision makers live in cities, read books and can be divorced to a degree from the sheer wonder and stunning beauty of the natural world. The importance of the whole ecology needs to be considered in this case, not just the economic.

20 Tutukaka, you might not have heard of it.

CHAIRPERSON: Oh, yes, we have.

25 MS GRIFFITHS: But Tutukaka is full of tourists.

MR DORMER: I honeymooned there.

30 MS GRIFFITHS: Good. It is known because it is close to the Poor Knights Island in Northland, it is a mecca for divers at the Poor Knights. We have all come to treasure Goat Island. The Sounds are ideal as a marine reserve of special significance and value to the New Zealand economy. I implore you that you think of that carefully.

35 Recent reports from the OECD and Sir Peter Gluckman highlight the loss of natural resource protection and the general degradation of our country. New Zealand has the highest list, I understand, of critically endangered species in the world, many facing extinction. In the Sounds, many birds and fish and invertebrates rely utterly on clean water.

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5 Along with the sale of its product, the King Salmon farm sites will also have a substantial book value in the King Salmon ledger. These sites have a 35-year lease with a 35 year, I believe, right of renewal which is virtual ownership. Who is to be accountable when something fails, as it has already at Ruakaka and Waihinau? To date I am not aware of any initiative from King Salmon to manage the environmental effects of its business. The Benthic guidelines have been imposed upon it. Salmon farming, though very lucrative, especially if judged on a per hectare basis, is the most environmentally damaging industry of all.

10 Who has estimated what other uses of space in the Sounds will be foregone if these extra farms are consented? In virtual perpetuity other options are reduced or eliminated. Pelorus Sounds is an area of outstanding natural beauty, also Tory Channel, with its already overconcentrated three farms in close proximity. Why was the government so involved in protecting the non-disclosure to the public from the share float in October 2016 King Salmon product disclosure statement? To me there were significant omissions of material fact from potential new investors in the King Salmon share float released in October 2016. To me these are possible breaches of the Financial Markets Authority, I know they have already been approached, they have already said, flick, flick, nothing's wrong.

[4.15 pm]

25 CHAIRPERSON: Who said that nothing was wrong?

MS GRIFFITHS: The Financial Markets Authority.

30 CHAIRPERSON: They have said that, have they?

MS GRIFFITHS: Yes, they have. But I still have got --

CHAIRPERSON: Well, then that's the end of it, isn't it?

35 MS GRIFFITHS: -- two queries because going back on the first page to that Cabinet paper which has had the date maybe scrubbed from it, it is clearly established there that the Ministers of Primary Industries, the Environment and Conservation will be involved in altering the RMA so that the prohibited areas in the Pelorus Sounds can be overridden. Or whatever that word should be. Those two things, the fact that the Ministers were instructed --

40 CHAIRPERSON: The Ministers don't alter the RMA.

45 MS GRIFFITHS: Who does?

CHAIRPERSON: Parliament alters the RMA, not the Ministers.

- MS GRIFFITHS: Right, okay. Good.
- CHAIRPERSON: The changes are made by Parliament.
- 5 MS GRIFFITHS: To override or to cancel out that prohibition?
- CHAIRPERSON: No. No, no, no, to provide another mechanism.
- 10 MS GRIFFITHS: Right, I am kind of -- I just find it so bad to remove an area that has been prohibited under one jurisdiction --
- CHAIRPERSON: Yes, you make that point very clearly.
- 15 MS GRIFFITHS: Right, okay.
- MR DORMER: But the weight given to your protest on that point is so often detracted from by the point being expressed in absolute exaggerated form. Ministers, as our Chairman said, don't change the law, parliament does.
- 20 MS GRIFFITHS: Well, I apologise, I haven't had time to research it fully.
- CHAIRPERSON: Well, we can assure you you don't need to. Only parliament can change an Act of Parliament.
- 25 MS GRIFFITHS: Right.
- CHAIRPERSON: You don't need to research that.
- 30 MS GRIFFITHS: Right, well I thought in this case they could.
- CHAIRPERSON: Well, they can't, and didn't.
- 35 MS GRIFFITHS: Okay, well the next two paragraphs are irrelevant, you can scrub those out, that reads of a serious cover up.
- The last sentence I'd like to read:
- 40 "Is this because the government sees its role as securing foreign exchange and job opportunities?"
- MR DORMER: I imagine that's one of the functions of any government, isn't it?

MS GRIFFITHS:

5 It is. The government states it supports businesses like King Salmon because of the need to earn foreign exchange yet an increasing number of primary industries and banks in New Zealand are foreign owned. Foreign exchange earnings just bounce back overseas when there is a high oversea ownership. I think it was Jim Anderton who coined the expression that we're haemorrhaging earnings from the use of New Zealand natural resources. The Tiong family in Sarawak is significant. From the extraction of natural resources in Sarawak, the alienation of local Iban, the destruction of rainforests on a massive scale, is New Zealand going down a similar path of using our natural resource extraction?

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15 Now, in a sense, it has to keep face with a new Chinese investor so there is a point where the government must make King Salmon successful. Also the government states it wants employment opportunities. King Salmon has several staff on over 400,000 per annum and more on 100,000 per annum but what percentage are on minimal wages or contract basis? This, of course, I don't know. But those who work on the accommodation barges where they do the tough job of processing up to about 2,600 fish per day are paid at the lower end of the scale. Corporate businesses make profit from cheap labour, especially if it is contract only, and New Zealand has seen the introduction of zero hours.

20  
25 I also mention here that Blenheim recently had work conditions of people from Vanuatu barely able to break even after high accommodation costs, transport to and from work and hire of tools. So the terms and conditions of employees at King Salmon should also be made publicly available considering that King Salmon uses public space to reap its profits.

30  
35 King Salmon has not been held accountable for the stated numbers it does or will employ and they have overstated the numbers of employed people in the past. However, there have been many submissions of support for the relocations from staff of King Salmon and that, of course, is excellent. Many expressed concern over their loss of jobs, they also have children, they have mortgages and all of this is understandable. But some were so fearful that if the relocations didn't go ahead that they might lose their jobs that Grant Rosewarne, the CEO, had to issue a public statement on 8 April 2017 that things weren't that bad. That KS was in growth mode, that workers had no reason to feel apprehensive. "There's no risks to any jobs at King Salmon" he said. This is unfortunate and divisive. People naturally hate any threat to their jobs and in this case the focus could be on those opposing the expansion of salmon farming. Is the democracy we really want and who is our government sometimes really working for?

5 I would just state here that the neoliberal style of government is failing the majority. Privatisation, deregulation works well for a few. It's like playing monopoly, get Mayfair and Park Lane and it's possible to wipe the board. Given that 1 per cent own 50 per cent of the world's assets tells us that the monopoly practice is alive and well.

10 In his lifetime Mr Tiong has become about the 800th wealthiest individual from the major extraction of natural resources yet the government is bending over to protect and grow his business here. Thank you.

CHAIRPERSON: Thank you very much. Would you just wait there, please?

15 MR DORMER: We're sitting exercising responsibilities cast upon us in terms of the Resource Management Act. The Resource Management Act is an environmental statute, it is intended to say what degree of pollution is acceptable in what circumstances. Can you tell me, please, why New Zealanders should be allowed to pollute to a greater extent than foreigners?

20 MS GRIFFITHS: I am unaware that they do pollute -- you are meaning in New Zealand?

25 MR DORMER: Yes, you are saying that it is relevant to our inquiry that the company is foreign owned by which --

MS GRIFFITHS: It is 50 per cent foreign owned.

30 MR DORMER: By which I take it you're suggesting that we should therefore impose higher environmental standards on their operation?

MS GRIFFITHS: No, probably the concern about the 50 per cent is the loss of 50 per cent of any major foreign exchange earnings. That is my major point.

35 MR DORMER: Okay, well I am sorry to disappoint you, we will not be referring to that in our decision because it is not an environmental concern.

MS GRIFFITHS: Right, yes. Okay.

40 MR DORMER: Nor, I assure you, will be commenting in our decision on defects in our product packaging laws. Polluters don't have their rights or obligations determined by anything other than our anti-pollution legislation. We are not going to be say, "You can pollute to this extent if our packaging laws are A1 and you can pollute to that extent if our packaging laws are inferior". I would be grateful if you could perhaps assist as to why  
45 it is that you regard the packaging laws as relevant to our inquiry.

- MS GRIFFITHS: By the packaging laws are you referring to the fact that I suggest that people might not like to eat salmon because it is fed on meat products as opposed to wild fish products?
- 5 MR DORMER: Yes.
- MS GRIFFITHS: In the wild, wild salmon eat wild fish, they don't eat meat products.
- 10 MR DORMER: But do you really suggest that our environmentally based recommendation should be influenced by what you might regard as defects in our food packaging law?
- MS GRIFFITHS: Probably not, no.
- 15 MR DORMER: No. Just to introduce an element of humour to it perhaps, I appreciate that we are not decision makers, we are merely recommendation makers but certainly I live in a city and read books.
- 20 MS GRIFFITHS: Good, I hope you take up diving at some stage. It is really the most wonderful sport I have ever undertaken. I can't recommend it strongly enough.
- MR DORMER: I was an active diver as a younger man and my father was a Navy diver in his youth.
- 25 MS GRIFFITHS: Okay, then you will have a good appreciation.
- MR DORMER: I do, yes. So that's why we went to Tutukaka for the honeymoon.
- 30 MS GRIFFITHS: Right. Right, did you get to the Poor Knights Island.
- MR DORMER: Yes.
- 35 MS GRIFFITHS: And dived?
- MR DORMER: Yes.
- MS GRIFFITHS: Good, it is one of the most magic places, but I think there's so many places in the Sounds that could duplicate that.
- 40 MR DORMER: And those are the important things, not whether the packaging law is X, Y or Z.
- MS GRIFFITHS: Okay.
- 45 MR DORMER: Or whether the company is 50 per cent, 40 per cent or 60 per cent foreign owned.

MS GRIFFITHS: Right.

MR DORMER: It is the environmental effects.

5 MS GRIFFITHS: Yes, I take your point, thank you. Thank you all for your time.

CHAIRPERSON: Wait. I didn't quite understand your point in paragraph 8 on the second page about the Aquaculture Reform Bill. I am not quite sure what you're getting at there.

10 MS GRIFFITHS: I haven't had time to thoroughly research that but I understand under that Aquaculture Reform Bill any existing mussel site can be taken over as a salmon site.

15 CHAIRPERSON: Really?

MS GRIFFITHS: That, to me, is extraordinary and that's what I read.

20 CHAIRPERSON: I thought that was the piece of legislation that instituted site allocation into the Resource Management Act.

MS GRIFFITHS: It's to do with site allocation.

25 CHAIRPERSON: Yes, it is to do -- so your point is to do with site allocation.

MS GRIFFITHS: But you take over -- if it's a consented site for something like mussel farming, you can use it for another type of aquaculture. But you can't put a salmon farm on top of where a mussel farm is, I believe, because they are too shallow.

30 CHAIRPERSON: I don't think that's proposed here, is it?

MS GRIFFITHS: Yes, it is.

35 CHAIRPERSON: Why?

MS GRIFFITHS: Because at Tio Point they clearly show you where the consented mussel farm could have gone.

40 CHAIRPERSON: But it hasn't.

MS GRIFFITHS: But it hasn't, they have had to move it right out into the centre of the entrance to Oyster Bay. It is not on top of the mussel farm.

45 CHAIRPERSON: No.

MS GRIFFITHS: To me, I am not sure, I think that looks like a violation of -- I don't understand the law.

- CHAIRPERSON: Oh well, all right.
- 5 MS GRIFFITHS: If there is an agreement to move it then that to me sets a precedent that I feel is potentially very dangerous. You can just take over any mussel farm and move it. That is the bit that I want to be ensured about.
- CHAIRPERSON: I am not sure that that is the law but we will certainly look at that.
- 10 MS GRIFFITHS: I appreciate that. Thank you.
- CHAIRPERSON: All right, thank you very much indeed for coming.
- 15 MS GRIFFITHS: Thank you.
- CHAIRPERSON: Do you want your piece of artwork? You don't.
- MS GRIFFITHS: No, you can have it.
- 20 CHAIRPERSON: The Clintondale Trust. David Whyte.
- (off mic conversation)
- 25 MR WHYTE: You probably have two documents in front of you. The hearing submission which I was required to lodge on 20 April and just for your own reference and ease of reference my initial consultation.
- CHAIRPERSON: That's the one that you filed with the Ministry, isn't it?
- 30 MR WHYTE: Yes.
- CHAIRPERSON: Yes, we have got that, yes.
- 35 MR WHYTE: Have you had an opportunity to read the hearing submission?
- CHAIRPERSON: No.
- 40 MR WHYTE: Unfortunately then from 20 April until today I could have spent more time preparing it. So you would like me to read my submission?
- CHAIRPERSON: Yes, please.
- 45 MR WHYTE: Because of the lateness in the day --
- CHAIRPERSON: Don't worry about that from our point of view. It might be a problem for you, I don't know. We will stay here until we finish.

[4.30 pm]

5 MR WHYTE: Right, the relevance of the submission. I own properties in the Marlborough Sound and accordingly I'm potentially affected by the outcome of the proposed relocation of the salmon farms. My position is that I oppose the proposed regulations and plan change in their entirety but with particular reference to the use of regulations made under section 360A to C of the Resource Management Act, followed by application for coastal permits.

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15 The Panel is invited to consider this submission in conjunction with and as a supplement in support of the original document submitted to the initial consultation. Whilst most submissions addressed the proposed outcomes this submission specifically adopts a perspective of the mechanism being utilised to secure these outcomes on the basis that the manner in which the process is being controlled inevitably raises the possible perception that for all intents and purposes the outcome is a foregone conclusion.

20 The law. The parts of the Resource Management Act that are relevant to this submission include "Section 360B, the conditions to be satisfied before regulations made under section 360A".

25 CHAIRPERSON: You don't need to read that, thank you. You can go to 6.

MR WHYTE: The two aspects of the law that I would emphasise are that the Minister of Conservation has to be consulted and that the Minister must establish a process that he considers gives public and iwi authorities adequate time and opportunity to comment on the proposed regulations.

30  
35 My position is that the consultation requirement under section 360B have not been adequately met. This has been occasioned by way of design rather than default throughout the consultation exercise. This is evidenced by the fact that the Minister for Primary Industries and Aquaculture was advised by the Director of Economic Development and Partnerships in the Regulatory Impact Statement that:

40 "Ministerial regulations is the only option available to the Crown if it wishes to control the process."

CHAIRPERSON: What was that Regulatory Impact Statement? Is that part of the consultation document?

45 MR WHYTE: It was part of the plethora of documents attached to the consultation document.

CHAIRPERSON: Yes, thank you.

MR WHYTE: Dealing firstly with the Minister of Conservation. Under 360B(2)(b)(i), the Minister of Aquaculture must not make recommendation unless he has consulted the Minister of Conservation.

5

There is nothing in the consultation documents provided to the public as part of the consultation exercise that readily indicates that the Minister of Conservation has been consulted. Indeed the MPI consultation proposal to the Minister states:

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"In addition to consulting with the public and iwi authorities you must formally consult with the Minister of Conservation, other relevant Ministers and with the Marlborough District Council. This will formally occur post public and iwi authority consultation."

15

While section 360B does not prescribe a statutory timing or order of consultation it is argued that: firstly, the requirement that the Minister of Conservation be consulted at section (2)(b)(i) precedes the requirement for the public and iwi to be consulted at subsection (2)(b)(iv); and for the purposes of section (2)(b)(iv) the Minister of Aquaculture must notify the public and iwi authorities of the proposed regulations; and establish a process that gives the public and iwi authorities adequate time and opportunity to comment on the proposed regulations; and the Minister of Conservation would have a crucial role in drafting those regulations otherwise there would not be the specific statutory requirement at section (2)(b)(i) that he be consulted.

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It can be reasonably expected that it was the intention of the law drafters that the Minister of Conservation be consulted on the regulations before they'd been proposed to the public and Iwi.

30

This position is corroborated by the MPI paper recommending the Minister agree to the consultation with the public and iwi on proposed regulations to the Marlborough Sounds Resource Management Plan. The Deputy Director General Partnerships and Programmes advised the Minister in key message number 8 that in deciding whether to proceed to consultation he should seek the views of the Minister of Conservation.

35

Having regard to the fact that the proposed activity is to take place within or in close proximity to a significant component of the conservation estate, ie the Marlborough Sounds, the public could reasonably be expected to be made fully aware of the Minister of Conservation's position and be able to provide an informed comment upon that as part of the consultation.

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Moving now to the "Marlborough Salmon Working Group". In mid-2016 the Minister of Primary Industries convened the Marlborough Salmon Working Group consisting of nominated individuals from the Minister of Primary Industries, the Department of Conservation, Marlborough District Council, iwi, King Salmon, Aquaculture New Zealand and local community interest groups.

The role of the Salmon Working Group was to provide non-binding recommendations to government in developing advice on options to implement the benthic guidelines.

The aims of this Salmon Working Group were to consider options for existing salmon farms in Marlborough to adopt the guidelines and to ensure the enduring sustainability of salmon farming in Marlborough, including environmental outcomes and landscape amenity and social cultural values.

The recommendations would also help inform planning on salmon farming in Marlborough. The Salmon Working Group process and its report would not replace statutory consultation processes required to establish any potential new salmon aquaculture space under the Resource Management Act.

The Salmon Working Group convened workshops on ten occasions between 14 July 2016 and 28 October 2016.

On 23 November 2016 the Salmon Working Group presented to the Ministry of Primary Industries its report entitled "Advice to the Minister of Aquaculture". The Salmon Working Group made 14 recommendations. The first and foremost being a recommendation that the Minister of Aquaculture consults with the public on two options to meet the benthic guidelines, namely, reduce stock and density at the existing low flow site and relocate to higher flow sites.

There is no reference to any specific mechanism as to how a possible plan change to allow relocation to higher flow sites was to be secured.

On the very next day, 24 November 2016, the Ministry of Primary Industries, Deputy Director General Sector Partnerships and Programmes presented to the Minister for Primary Industries the consultation proposal for relocation of salmon farms via regulations made under sections 360A to C of the Resource Management Act to amend the Marlborough Sounds Resource Management Plan. Attached to the paper were the Cabinet paper, the Regulatory Impact Statement, the consultation document, the proposed amendments to the Marlborough Sounds Resource Management Plan and the Salmon Working Group report.

5 It is evident therefore that these substantive documents had been prepared well in advance of the Salmon Working Group Advisory Port. The fact that the resort to regulations was not mentioned in the Salmon Working Group report as the mechanism to effect the relocation suggests that the Salmon Working Group was not fully aware of the Ministry of Primary Industries' intention.

10 This is of particular concern having regard to the fact that the Ministry of Primary Industries' official designated as responsible manager for the consultation paper and the signatory for the agency's disclosure statement on the Regulatory Impact Statement was the Director Economic Development and Partnerships who together with the Deputy Director General Sector Partnerships and Programmes, the author of the consultation paper, were the two key MPI representatives on the Salmon Working Group. The latter being the convenor.

15 The Ministry of Primary Industries' paper to the Minister proposing consulting on the regulations states that:

20 "The Salmon Working Group was not asked to consider the wording of the proposed plan change but were provided an overview of how the changed plan would operate. Use of the regulation-making power was discussed but no recommendation made. The community representatives were not adverse to the regulations but cautious to ensure a good consultation process and independent assessment of the information."

25 This would appear at odds with the Salmon Working Group report which records that at the workshop convened on 8 and 9 September 30 2016 there was only a brief explanation provided of a possible plan change approach.

35 It is evident that the Salmon Working Group, which was specifically convened by the Ministry of Primary Industries as a representative consultation body and recommended relocation as one of two options, was not fully involved by the Ministry of Primary Industries in consultation on the resort to regulations as a planning mechanism to effect that relocation.

40 It is noted that the 14th recommendation of the Salmon Working Group report was that the Salmon Working Group provide additional advice to the Minister following the public consultation process. The Ministry of Primary Industries' consultation paper recorded:

45 "Agencies disagree; the Working Group's role has concluded. Members are free to make submissions to the process."

5 The available options for relocation through the plan change. My initial submission details that the Ministry of Primary Industries' Cabinet paper identified three available options under the Resource Management Act to effect relocation of the salmon farms through plan change: the regulation process, the EPA process and the MDC process. The Regulatory Impact Statement compared all these three options. The MPI Cabinet paper excluded the Marlborough District Council process, while the public consultation document offered only the regulation process.

10 The public consultation exercise document under the heading "Relocating farms requires amending the Marlborough Sounds Resource Management Plan" provides only the regulation process.

15 The Ministry of Primary Industries' consultation discussion paper states:

20 "The potential amendments to the Marlborough Sounds Resource Management Plan identify the activity of salmon farming in these relocation sites as 'restricted discretionary'. There are detailed conditions specified in the potential amendments that will relate to the marine farms. This will be your only opportunity to comment on those conditions."

25 The Ministry of Primary Industries' paper further emphasises:

30 "Unless the Marlborough District Council decides that it will notify an application, which may be to directly affected persons only, this consultation process on the proposal will be the only opportunity for iwi and the public to comment on these discretionary matters."

35 As detailed in table (1) of annexure of the submission the regulation process has potential for negative impact in the areas of: cost to the Crown - the taxpayer and the Marlborough ratepayer; the availability of appeal or other legal challenge; the Marlborough District Council discretion; and public notification.

40 The Ministry of Primary Industries' paper fails to disclose however that there are other available options to amend the Marlborough Sounds Resource Management Plan. The Ministry of Primary Industries has provided no explanation as to the withholding of information identified by the Ministry of Primary Industries that provides alternative options - the EPA and MDC processes - to achieve the plan change without resort to the regulation process.

45 [4.45 pm]

Moving now to "Time and opportunity for public and iwi to comment on the proposed regulations". Under section 360B(3)(b)(i) the Minister must establish a process that gives the public and iwi adequate time and opportunity to comment on the proposed regulations.

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The Salmon Working Group report highlighted that:

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"The prepared technical reports were voluminous and complex and there has been limited time and ability to thoroughly consider, question, test content, provide feedback and draw resulting conclusions with regards to their content and findings."

15

The public consultation document in itself from cover to cover encompassed 113 pages. The consultation website provided 70 documents comprising 272.5 MB of data, including 1,520 pages in 43 in-depth technical reports. In addition, links were provided to a wealth of further documents on other websites. The extent of this documentation is detailed in annexure (2) to this submission. The Ministry of Primary Industries convened consultation drop-in meetings, which were reported in the media "to be designed to minimise the negatives and maximise the positives".

20

The Salmon Working Group reported that:

25

"The Salmon Working Group has considered the majority of the reports as part of the Salmon Working Group process and has had sessions with a number of the authors. The highly technical nature of many of these reports, together with the constrained Salmon Working Group timeline and use of external expertise has prevented some members from undertaking a full analysis and/or review."

30

In a preface to the Salmon Working Group recommendations the Salmon Working Group report recorded that:

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"Some Working Group members note that the limitations with some technical reports and the relatively constrained timeframes for the group to consider the information has meant that the analysis of all options has been insufficient. The public consultation period must provide an opportunity to address these concerns."

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5 Having regard to the composition of the Salmon Working Group encompassing Ministry of Primary Industries, the industry and Marlborough Sounds community representation, with access to expert advice, it is a reasonable expectation that if they themselves experienced difficulty considering the information over the 4 months that the Salmon Working Group workshops were convened, then the general public are unlikely to be able to digest an even greater amount of similar information in the 8 week - 40 working day - consultation period provided.

10 The Salmon Working Group further recorded that:

15 "There has been, to date, an inability to engage independent technical experts to test and validate the content and findings of the technical reports. This may be further compounded if the section 360A process is used without the ability to independently test information."

20 The Cabinet paper identified the risk that the environmental impact assessments that had been commissioned to date are perceived as not being creditable as they have been paid for by King Salmon. The Ministry of Primary Industries were required to consult King Salmon and include two King Salmon representatives on the researcher selection panel. King Salmon provided operational information to inform the assessments. The Ministry of Primary Industries was required to consult King Salmon on each draft research report. However King Salmon was prohibited from directly approaching the researchers without Ministry of Primary Industries' approval.

25 The Salmon Working Group report recorded that:

30 "A number of technical reports have been prepared by some individuals and/or companies that presented evidence through the Board of Inquiry process on behalf of New Zealand King Salmon. This may raise questions in some quarters with regards to potential conflicts of interest for the report writers and the independence of the findings and conclusions of such reports."

35 The Salmon Working Group report concluded that:

40 "If consultation does not adequately address the above matters, then the risk is that any decision regarding the future of salmon farming in the Marlborough Sounds may be based upon incomplete or incorrect information."

45 The three members of the Salmon Working Group were appointed by the Marlborough District Council from the Sounds Advisory Group. The Marlborough District Council states that:

5 "The Sounds Advisory Group is made up of volunteer community and industry members who meet regularly to discuss issues such as roading and reserves, coastal water quality, moorings and resource management. They provide a valuable sounding board on policy and planning for the Council and make sure the Sounds' voice is heard in decision-making."

10 The Sounds Advisory Group and other members of the Salmon Working Group expressed serious misgivings at the Salmon Working Group process to the extent that the Sounds Advisory Group members, other community members, and iwi representative on the Salmon Working Group wrote to the Ministry of Primary Industries' Deputy Director General Sector Partnerships and Programmes - the convenor of the Salmon Working Group - outlining what they considered to be matters of significant concern. Matters raised included unrealistic timeframes to properly consider technical reports, inability to test 15 tabled technical reports with experts outside the Salmon Working Group, unreconciled information and statements and concerns with the approach to the consultation process design. The Sounds Advisory Group members reported that at the conclusion of their involvement in the relocation process it is fair to say these concerns remain unresolved and are as valid today as they were when first raised.

25 The Salmon Working Group report identified the risk that some members of the Salmon Working Group believe that these matters may provide an adequate basis for a judicial review of any resultant decision made through this process.

30 The Regulatory Impact Statement acknowledged this as a substantive risk by allocating \$100,000 to \$200,000 in the costs of the regulation option for a High Court judicial review.

35 Moving now to "The missing economic component". The Regulatory Impact Statement states that the regulation process has the lowest costs. What this does not disclose is that it means the lowest cost to King Salmon. It is later conceded in the statement that these costs will be shared by the Crown, with the costs and legal risks of the plan change being borne mostly by the Crown. It is further conceded that under both the EPA, and by extension the MDC, processes all costs and legal risks are to be borne by King Salmon. This is consistent with the "user pays" regime expected by other applications of the Resource Management Act and planning provisions.

45 The statement concludes that the cost of the EPA process to King Salmon would be significantly higher, between \$4 million and \$5 million. By adopting the regulation process the Crown could reduce the King Salmon cost to \$1 million with the Crown contributing \$1.05 million.

5 The fact that the Ministry of Primary Industries is prepared to commit the Crown to over \$1 million to reduce the cost to a commercial entity and thereby possible exposure to legal risk, when there are two alternatives that would incur no Crown cost or legal risk at all, could be perceived as irresponsible. The fact that the public consultation document does not elaborate on the cost or legal risk to the Crown of a plan change through the regulation process can only be seen as deliberate.

10 Precedence. The Regulatory Impact Statement, consultation paper and Cabinet paper all acknowledge this is the first attempt to use sections 360A to C of the Resource Management Act to create regulations amending regional coastal plans in relation to aquaculture activities.

15 The Regulatory Impact Statement states:

20 "Information on the actual costs and timeframes of regulatory intervention could inform future projects for which the sections 360A to C regulation-making power is considered. Officials in MPI's Aquaculture Unit will assess the actual timeframe and cost for achieving the plan change and coastal permits through regulatory intervention and report them to the Director of Economic Development and Partnerships if the regulation-making power is going to be used again. This would help with estimating the costs and timeframes for future use of the sections 360A to C power."

30 Having regard to the decreasing viability of existing mussel farms in some areas of the Sounds and limited areas for expansion provided by the Marlborough Sounds Resource Management Plan, it is conceivable that sections 360A to C regulations would again be utilised to enable mussel farm expansion into currently restricted zones. It is also conceivable that other commercial entities seeking expansion would take advantage of the regulations precedent, eg plantation forestry in conservation areas.

35 It is imperative therefore that the process for the proposed plan change by sections 360A to C regulations be beyond reproach.

40 In conclusion. The original aims of the Salmon Working Group as per the terms of reference were to consider options for existing salmon farms in Marlborough to adopt the benthic guidelines; and to ensure the enduring sustainability of salmon farming in Marlborough, including environmental outcomes and landscape, amenity, social and cultural values.

45

5 It is evident that well before the Salmon Working Group's role was concluded the objective was diverted to enable existing salmon farms to be relocated to areas where such activity was prohibited with the overriding rationale being to increase economic productivity.

10 Such objective required the limiting Marlborough Sounds Resource Management Plan to be changed. The Ministry of Primary Industries acknowledged that the only way to control that plan change was by resort to the unprecedented use of regulations under sections 360A to C.

15 It is further evident that such control was exerted in the residual life of the Salmon Working Group and continues to be applied in the public and iwi consultation prescribed by section 360B.

20 It is required by section 360B(2)(b)(i) and (iv) that regulations cannot be recommended unless the Minister of Conservation, and the public and iwi respectively have been consulted.

25 In respect of section 360B(2)(b)(iv) it is required by section 360B(3)(i) that the Minister establish a process that gives the public and iwi adequate time and opportunity to comment on the proposed regulations.

30 The process publicly promulgated on 26 January 2017 under the Ministry of Primary Industries discussion paper revealed that:

35 (a) having acknowledged that in deciding whether to proceed to consultation, the Minister was to seek the views of the Minister of Conservation, the MPI then determined that such consultation as required by section 360B(2)(b)(i) would not formally occur until post public and iwi authority consultation;

40 (b) the consultation in solely presenting and promoting the regulation option failed to disclose the existence and availability of two alternative options to achieve the plan change, that is the EPA and the MDC processes, and in doing so failed to provide the public and iwi the opportunity to make informed comment on the proposed process;

45 (c) equally, failure of the consultation document to disclose that under the proposed regulation process the Crown would be committing to share the cost of the plan change to the tune of \$1.05 million simply to reduce the cost to King Salmon, where there are two other "no Crown cost or no legal risk" options available, negates the opportunity for the public to provide fully informed comment on a crucial consideration, the economic impact;

[5.00 pm]

(d) as the Ministry of Primary Industries had identified and explored these alternative plan change options, and their implications, the determination to withhold them from the public and iwi consultation document can only be concluded to be a deliberate measure to limit the consultation and control the outcome;

5

(e) having been forewarned by the Salmon Working Group report of the difficulty that body had in considering a voluminous and complex compilation of information over a period of four months despite their combined experience, working group programme and access to expertise, the consultation exercise presented an even more massive amount of information, mostly of a technical nature, with the expectation that members of the general public could alone digest such and compile submissions within the 8 week - 40 working day - consultation period. It could be reasonably expected that the general public could be overwhelmed by the mass of information, impacting upon the value of the consultation and the ability to make and furnish informed comment on the proposed regulation process;

10

15

(f) it is evident that the Ministry of Primary Industries is looking to the result of this regulation process with a view to it's being a precedent for further use in the future to overcome perceived obstructions in local plans.

20

The Ministry of Primary Industries' consultation document emphasises that the consultation is the one and only opportunity for the public and iwi to comment on the proposed regulations, the consequent plan changes and the conditions of the discretionary matters therein.

25

It is argued therefore that the Ministry of Primary Industries public and iwi consultation process fails to meet the legal threshold prescribed by section 360B(2)(b)(i) and (iv) and (3)(i) as required for consultation, and the establishment of a process that gives the public and iwi authorities adequate time and opportunity to comment on the proposed regulations.

30

5 The decision sought from the Marlborough Salmon Farm Relocations  
Advisory Panel. I invite the Hearing Panel to determine that: the  
Ministry of Primary Industries public and iwi consultation process fails  
to meet the legal threshold prescribed by section 360B(2)(b)(i) and (iv)  
and (3)(b)(i) of the Resource Management Act as required for  
consultation, and the establishment of a process that gives the public  
and iwi authorities adequate time and opportunity to comment on the  
proposed regulations. Secondly, that the Ministry of Primary  
10 Industries public and iwi consultation process be rejected and  
discontinued until such time as a process that is fully compliant with  
the provisions of sections 360B(2)(b)(i) and (iv) and (3)(b)(i) is  
established. Thirdly, the Minister not make any recommendation for  
regulations under sections 360A to C in this respect until fully  
compliant consultation has been conducted with the public and iwi in  
15 good faith.

Thank you.

20 CHAIRPERSON: Thank you very much, Mr Whyte. Could you just tell me, before I ask  
my colleagues if they have any questions of you, the Clintondale Trust;  
what is that?

MR WHYTE: That is just simply a family trust.

25 CHAIRPERSON: A property owning trust or --

MR WHYTE: We do own property, yes.

30 CHAIRPERSON: You put together a very comprehensive submission here, do you have  
legal qualifications?

MR WHYTE: I was once asked if I was a lawyer, unfortunately I've been on the other  
side of the law.

35 CHAIRPERSON: I didn't want to ask you that.

MR WHYTE: No, I can explain. Until recently I was a police officer of 37 years. I  
retired in the rank of Superintendent of Police. I'm currently a judicial  
Justice of the Peace.

40 CHAIRPERSON: Thank you very much. What was your retiring office again? You  
were ...

MR WHYTE: I was a Superintendent of Police.

45 CHAIRPERSON: Where?

MR WHYTE: In Hong Kong.

CHAIRPERSON: In Hong Kong. Right.

5 MR WHYTE: But I'm a New Zealander. I grew up in Picton and I have retired to Marlborough.

CHAIRPERSON: All right, thank you very much. Do you have ...

10 MR DORMER: Yes, if I may, just one. Thank you, Mr Whyte. I echo our chairman's comments. I've written on the front of your submission:

"Directly raises the issue as to whether the adequacy or otherwise of the process to date is relevant to the role of the Panel."

15 And you do directly raise that issue, don't you?

MR WHYTE: Yes.

20 MR DORMER: Good.

MR WHYTE: And that is the sole issue or the sole thrust of both my initial and this submission. I leave the argument as to the outcomes or the impact to people that can speak better on that. My sole thrust is on the adequacy of the consultation process.

25 MR DORMER: There are then two decisions we have to make for ourselves then. One is as to whether the adequacy or otherwise of the process to date is relevant to our role. And then if it is we have to come to a view on whether or not it was adequate or otherwise.

30 MR WHYTE: I haven't got it here, but the document -- the public consultation document, the front page, it says:

35 "Consultation on the use of regulations to relocate salmon farms under section 360 of the Resource Management Act."

40 Section 360B sets the parameters or what is required as part of that consultation. So I don't think that the Panel can escape from the reality that the consultation part -- a consultation process is a key thing that you need to -- the adequacy of that process is something that you need to report on.

- MR DORMER: I haven't considered it in any great depth at all but I'm relatively confident that I could construct a pretty good argument either way, as I can on most points of law. I don't think you should assume that the adequacy or otherwise is relevant to us. It may well be that the drafting technique says that the Minister has to go through certain steps, one of those steps is to have the consultation, etc, one of them is to appoint an advisory panel. That doesn't necessarily mean that the adequacy or otherwise of the consultation is relevant to the advisory panel.
- 5
- MR WHYTE: To that I would comment that the law, section 360B, sets the threshold, the legal threshold, that must be reached for consultation. The Panel is deliberating on that consultation. So it would be inconceivable that the Panel would disregard the adequacy, the legal adequacy of that consultation if it was to make recommendations on the consultation.
- 10
- MR DORMER: You say that the Panel is deliberating on the submissions received following the consultation.
- 15
- CHAIRPERSON: I think there might be a misunderstanding here about what we think is the consultation and what Mr Whyte thinks is the consultation. When you're talking about the consultation are you talking about everything that took place until this hearing started?
- 20
- MR WHYTE: And is this hearing not part of the consultation?
- 25
- CHAIRPERSON: That's the other way of looking at it, isn't it?
- MR WHYTE: Right.
- 30
- CHAIRPERSON: And I think you're looking at it that way?
- MR WHYTE: If you don't look at it that way we're wasting our time. We shouldn't be here.
- 35
- MR DORMER: No, there are two ways of looking at that as well.
- CHAIRPERSON: Yes, I think that's right.
- MR WHYTE: No, but --
- 40
- MR DORMER: Okay, I wanted to make sure I understood your point. I understand that with more than sufficient clarity. One subsidiary question that flows from that, turning to paragraphs 23 to 25 of your submission, and we're dealing here with whether or not the consultation was sufficiently adequate, asking a question which I framed with a little bit of care: is it your submission that the fact that the Working Group has no further input into the process, does that mean that the process fails to meet the requirements of the Act?
- 45

- MR WHYTE: Again, trying to be as equally as yourself to be careful in the wording in the response, the Salmon Working Group was part -- it was the initial stage of the consultation process. I can't really --
- 5 MR DORMER: Okay, so it made a report.
- MR WHYTE: Yes.
- 10 MR DORMER: And it may be I'm misunderstanding what you're saying in paragraphs 23, 24 and 25. But I gain an impression from those paragraphs that because having made its report -- sorry, because it only gets one bite at the cherry, namely making a report, the fact that it doesn't get too bites, it doesn't get a chance to come back later, I gain an impression that you are suggesting that that is evidence of the inadequacy of the process.
- 15 MR WHYTE: That could well be a perception. I don't really see --
- MR DORMER: Now you've used that word "perception" and it could be perceived a lot during your submission.
- 20 MR WHYTE: Yes.
- MR DORMER: We will form a view as to whether or not such a perception is a reality. But certainly I wouldn't regard the mere fact that a perception exists as being at all relevant. But, okay, in an ideal world we might have had a procedure whereby -- or the Minister might have embarked upon a procedure whereby the Working Group was established, the Working Group reported, and perhaps the Working Group had another say after this hearing. Or perhaps the Working Group had another say after the Ministry had framed a response to its first report. But that hasn't happened. Do you accept -- sorry, do you submit that that is evidence that the process is deficient and fails to meet the requirements of the Act?
- 25 MR WHYTE: There could be one element which in combination with everything that we have raised.
- 30 MR DORMER: Okay, that's a much better way, I think, of putting it. I thought you might be trying to say on its own that was a disqualifying factor.
- 35 MR WHYTE: No. We are talking of a combination of elements that when amassed breaks the camel's back.
- 40 MR DORMER: Yes, got that. Sorry to be so pedantic but in passages our report will have to be pedantic. I want to make sure I understand your point correctly.
- 45

MR WHYTE: The thrust of the submission is that we are dealing with a legal aspect and the law is pedantic. It's got to be.

5 MR DORMER: It's not necessarily a terrible abuse to call someone a pedant, is it?  
Thank you, sir.

10 MR CROSBY: Just looking at two of those aspects that you've referred to in your summary at paragraph 59, if you would, and in particular at (e) and it's a point that you raised earlier in your submission that there's an unfairness for the public having a period of only two months when the Summary Working Group reported that they struggled to wade through the reports in four months.

[5.15 pm]

15 But just looking at the summary that you've helpfully provided - and thank you for that - of the dates of those documents that are described as consultation documents in annexure 2. Quite a large number of those actually post-date the Salmon Working Group or come in the last week or so, don't they?

20 MR WHYTE: Yes.

25 MR CROSBY: Which possibly raises the suggestion, I imagine - I haven't done the exercise - that points raised by the Salmon Working Group as being valid points requiring further investigation were then investigated, reported on and those reports have become part of the public consultation process. Am I understanding --

30 MR WHYTE: Yes, and that only adds to the mass of documents that are presented to the public. So you have the initial Salmon Working Group, what was given to them, and then you've got the latest of 2017, which is after the Salmon Working Group, you've got an additional load of documents for them to consider in a very restricted timeframe.

35 MR CROSBY: And just your point about precedent. I must ask you about it at (f), and I think again that was a point you made but you gave it as an example, the potential for a precedent being created whereby the Crown - I think you used a forestry example - and the Crown --

40 MR WHYTE: But that wouldn't be under 360A to C.

MR CROSBY: No, it just can't happen without Parliament making yet another amendment to the Resource Management Act, can it?

45 MR WHYTE: There are regulating-making powers within the current Resource Management Act other than 360, because 360A is specifically for --

- MR CROSBY: Correct, got you. That's all right. I just wanted to be sure that you are aware of that.
- MR WHYTE: But there is also the Resource Legislation Amendment Bill --
- 5 CHAIRPERSON: And it's an Act now.
- MR WHYTE: Yes, it's recently.
- 10 CHAIRPERSON: Well, it's part of, yes
- MR WHYTE: And there we have clause 104 amends 360B and then it introduces new sections 360D and E and 360D:
- 15 "Enables regulations to be made that permit specified land uses; prohibit a local authority from making specified rules or types of rules; specify rules or types of regulations that override."
- 20 And there's the question again. Override, and it doesn't say "circumvent". It says "override" and that must therefore be withdrawn:
- "Prohibit or override rules or types of rules that would duplicate or overlap with other legislation."
- 25 So the new legislation is expanding upon regulatory power. So the precedent that I am talking about is not just under aquaculture but if this precedent allowed an activity to go into prohibited areas, in this case being in aquaculture, that may set the encouragement or the enthusiasm for regulatory process to be adopted in other areas.
- 30 MR CROSBY: Which has to be done by Parliament.
- CHAIRPERSON: No, he's relying on the other regulating-making powers that are now in hand.
- 35 MR WHYTE: Yes. 360A is not the only regulatory-making power.
- MR CROSBY: So you're pointing to D and E that have just been passed?
- 40 MR WHYTE: Sorry?
- MR CROSBY: You're pointing to the use of D and E that have just been passed?
- MR WHYTE: Yes.
- 45 MR CROSBY: All right. Thank you.

- 5 MR WHYTE: Just one comment before to the previous submitter. You emphasised that Acts or legislation not made by Ministers are made by Parliament. But Parliament does not work in a vacuum, hopefully. It doesn't enact legislation unilaterally or independently. It comes on the recommendation of Ministers.
- CHAIRPERSON: They promote it.
- 10 MR WHYTE: Yes.
- CHAIRPERSON: But the Minister still has to get a majority vote in the Parliament.
- MR WHYTE: Right.
- 15 CHAIRPERSON: And signed off by the Governor General.
- MR WHYTE: So the Ministers do have an active role in --
- CHAIRPERSON: Of course they do.
- 20 MR WHYTE: -- in that legislation becoming an outcome.
- CHAIRPERSON: Of course they do.
- 25 MR WHYTE: And we're in the same position here --
- CHAIRPERSON: So is anybody else who promotes a Bill.
- MR WHYTE: -- where the Minister is going to promote a regulation.
- 30 CHAIRPERSON: That's different. That's a regulation made pursuant to the Act of Parliament, but the ability to make the regulation is a parliamentary expression of the law.
- 35 MR WHYTE: And they don't make that alone. They make that on the recommendation or the promotion, as you say, of ministry and government officials.
- CHAIRPERSON: Somebody has to promote a Bill.
- 40 MR WHYTE: No, it's just before your quite strong and your emphasis that Ministers don't make the law, it is Parliament makes the law.
- CHAIRPERSON: And I'm still strong on that.
- 45 MR WHYTE: As I say, that was just something I would like to have clarified.

- CHAIRPERSON: Right. I just have one question for you, and if you stay on that same page that my colleague has been asking you about. It's (d) where:
- 5 "The MPI has not identified and explored the alternatives to its plan change option."
- Why would it? Why would it?
- 10 MR WHYTE: They're in a public consultation process surely the public should be informed.
- CHAIRPERSON: But the consultation is about making a regulation. Why would it explore any other --
- 15 MR WHYTE: If there are viable alternatives to making that regulation, which may be more positive and more acceptable to the public, then the public would have the right to know. These are government officials.
- CHAIRPERSON: But where does it say that in 360?
- 20 MR WHYTE: That they're not government officials?
- CHAIRPERSON: No, that they've got to look at alternatives.
- 25 MR WHYTE: Let me have a look.
- MR DORMER: We'll be debating this between ourselves obviously, Mr Whyte. But I'm quite familiar with legislation that does cast upon officials the obligation to have regard to alternative means of satisfying the Minister's intent.
- 30 MR WHYTE: And I would draw the Panel's attention to 360B(3)(b) where the Minister of Aquaculture must:
- 35 "... establish a process that gives the public and iwi authorities adequate time and opportunity to comment on the proposed regulations."
- CHAIRPERSON: Yes. Comment on the proposed regulations not on any other alternative way of doing it. They're promoting a regulation under a special part of the Act, aren't they? He doesn't have to ask the public, "Should I do it and should it be done in some other way?" The policy decision has been made to promote a regulation.
- 40 MR WHYTE: You're saying that they can willy-nilly hide those things from the public; I don't accept that.
- 45

CHAIRPERSON: No, I don't say that at all. No. What I'm saying is the time for looking at an alternative way of dealing with this is over.

5 MR WHYTE: When was the opportunity to look at the alternatives?

CHAIRPERSON: I don't know, but this is now a regulatory proposal.

10 MR WHYTE: And you're saying that the opportunity to look at an alternative has already gone --

CHAIRPERSON: If it was ever there.

15 MR WHYTE: But we've never had the opportunity because we did not know or most people would not have known of that process or the alternatives. And so that is not providing -- establishing and providing the opportunity for comment on the regulations because there has been no information provided as to alternatives to the regulations.

20 CHAIRPERSON: I see. So what you're saying is that in providing the opportunity - and I want to get this very clear because I think it's quite an important point - in providing the opportunity that he must do for people to comment on the regulation he should include as part of that the ability for the public to say there is another way of doing this?

25 MR WHYTE: I think that would be a crucial element of consultation.

CHAIRPERSON: Is that what you're saying?

30 MR WHYTE: Yes. That would be a crucial element of consultation and I draw your attention to 360B(2)(b):

"The Minister of Aquaculture must not make a recommendation unless the Minister has consulted (iv) the public and iwi authorities."

35 CHAIRPERSON: On the regulation.

MR WHYTE: (2)(b) doesn't -- it's in a section which is, "Conditions to be satisfied before regulations made under that section" are -- it's in that section but it just says:

40 "The Minister of Aquaculture must not make a recommendation unless the Minister has consulted the public and iwi authorities."

45 It doesn't say "on those proposed regulations". It has to consult with the public and the iwi authorities.

- MR DORMER: So there are two passages of section 360 -- sorry, there are obviously many more than two passages, but one passage says the opportunity to comment on the regulations must be afforded.
- 5 MR WHYTE: Yes.
- MR DORMER: Another passage which does not --
- MR WHYTE: Simply says that the public and iwi must be consulted.
- 10 CHAIRPERSON: No, it doesn't. It says that he can't do anything until he has done that, doesn't it?
- MR WHYTE: "The Minister of Aquaculture must not make a recommendation unless the Minister has consulted the public and iwi authorities."
- 15 CHAIRPERSON: That's right, you're right.
- MR WHYTE: It doesn't restrict it to the proposed regulations.
- 20 CHAIRPERSON: That's a matter of interpretation.
- MR WHYTE: The law is a matter of interpretation.
- 25 CHAIRPERSON: Yes. All right, thank you very much. I think we're just about done, aren't we?
- MR WHYTE: Yes. A final passing comment. Over the past ten years I've made umpteen submissions. I now suffer from what I call --
- 30 CHAIRPERSON: Submission fatigue.
- MR WHYTE: No, I call it EIF syndrome; exercise in futility syndrome. I only hope that this panel will provide me with an appropriate tonic.
- 35 CHAIRPERSON: Well, we will do our best.
- MR WHYTE: Thank you.
- 40 CHAIRPERSON: Thank you for coming.
- Now, we have two people left. We have the Duncan Bay Residents Association, Christine Tuffnell. Is she here? Here she is.
- 45 MS TUFFNELL: And can the Duncan Bay residents come down and sit there too?
- CHAIRPERSON: Yes, by all means. Absolutely.

MS TUFFNELL: Bring your chairs.

5 CHAIRPERSON: Yes, please do. Now we also have Hazel Monk. Is Hazel Monk ...  
Yes. I'm afraid we're going to have -- you'll be tail-end Charlie today.

You can sit down.

10 MS TUFFNELL: No, I'd prefer to stand actually.

CHAIRPERSON: All right. If you want to stand, that's fine.

15 MS TUFFNELL: I'm not going to be able to get this. So I'd like to introduce our group.  
I'm Christine Tuffnell, so I've written a personal submission and also  
Duncan Bay residents have come on board with that submission. So  
we have here Lynn and Ken Sadd who live in Duncan Bay. And we  
have Margaret and Nick Hassan, who have a bach in Duncan Bay, and  
we have a Graham and Jane Spall, who are residents in Duncan Bay  
and I, you have the information about, have a bach in Duncan Bay.

20 CHAIRPERSON: Now my colleague on my right will know where Duncan Bay is but I'm  
afraid I don't.

25 MS TUFFNELL: I hope you get to see a bit of it anyway.

CHAIRPERSON: Where is Duncan Bay?

30 MS TUFFNELL: My apologies to Mr Skelton, because in the paper you appear as Mr  
Shelton.

CHAIRPERSON: I can never help what's in the newspaper.

35 MS TUFFNELL: So in the end I tossed up between websites and paper and came up with  
Skelton, so I hope I've got you right at the end. So there we go.

**[5.30 pm]**

CHAIRPERSON: You have. Where is Duncan Bay?

40 MS TUFFNELL: You know where Duncan Bay is, don't you? Tennyson Inlet, so we're  
the people most affected by this because we are actually the Pelorus  
Sound, so you get to us over the Opouri Valley Road. If you've got  
your map there, so you come in at just before Rai Valley, up over the  
Opouri Valley Road, down into Duncan Bay. So we've got Duncan  
45 Bay, Penzance and then you've got the Tawhitinui Islands and the  
Tawhitinui Reach, then down to Maud Island and then down to the  
Waitata Reach, key to all of those bays down there. So we're at the  
head of the Pelorus Sounds.

So I didn't copy this off for you because you have a copy of this.

CHAIRPERSON: Yes, we do.

5

MS TUFFNELL: I hoped you would have. So what I've done is just did a summary and I hope to speak to that. So, this is some of the readings that I did. Contrary to some of the suggestions, I actually found having all the research to refer to was very helpful. It gave a good background. But there is no research representing public good - and that's how I've started the submission, as you know - in terms of the safety of the food chain and so on. I think that this is a good time to actually look at that overall impact of the pollution of salmon farms on the Sounds area. It has been raised previously by previous speakers.

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CHAIRPERSON: Yes, we've had quite a lot on it now.

MS TUFFNELL: You have, haven't you? So that's why I've summarised things and you've got it on page 3 of mine and Duncan Bay Residents Association submissions, things like mercury and zinc and copper and so on and the organohalogenated contaminants. There's lots of issues there and, in particular, I refer you to the paper by Yung et al in terms of the zinc oxide nanoparticles in the marine environment. I do have copies of that research there, but I've put the references right through.

20

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So, we need to consider all of these things. What we see is that the research to date I've got there has been insular and nobody is really looking at the whole system, how the ecosystems are being affected and just what's going on. That is because the research, of course, is paid for by people who want the research done, so the scope is dictated by the budget and the interests of the person purchasing the research. So, there hasn't been what I say, public good research, so we're not looking at what we're really doing in the Sounds and how safe it is for people. So, that's the first thing, the need to actually look at those long-term effects but also in terms of --

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CHAIRPERSON: Long-term effects of what?

MS TUFFNELL: The long-term effects of the contamination by the toxicity from heavy metals, for example, and from --

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CHAIRPERSON: What does that have to do with salmon farms?

MS TUFFNELL: It's got a lot to do with salmon farms in that salmon farms, if you look on page 3, in terms of the food that's going in, zinc and copper are two of the major heavy metals coming from salmon farm feeding.

45

CHAIRPERSON: Are they?

MS TUFFNELL: Yes, they are indeed, and there's a very large paper been done by the Cawthron Institute particularly on copper and zinc, and that's among the documents attached to the --

5

CHAIRPERSON: Well, then there has been some research done on it?

MS TUFFNELL: There has been some research. There's also international research and what it does show is that these two in particular are a risk to the environment.

10

MR DORMER: So you're saying that the Cawthron Institute's work is not something we can particularly rely on?

15

MS TUFFNELL: No, I'm not exactly saying that. We'll get on to that in a minute, but what I am saying is that a paper was done by them back in 2010 and then later on, in terms of this particular exercise, there's a statement made that they think that there's minimal risk, yet their paper actually discusses quite significant risk. So there's a bit of a mismatch there in terms of an opinion back then and an opinion in preparation for this submission.

20

So, I believe what we'd like to see is actually looking at an overall approach to research, looking at what's really going on, instead of just looking at isolated pieces of research. We need to actually be measuring toxicity in our wild fish and shellfish. I know there's been isolated bits of this done but, as I say, it's mainly in the interest of what's going on at the time rather than ongoing monitoring of that toxicity.

25

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So, on the next slide you'll see there the impact of salmon farming toxicity and DNA mutation - and that's something that has been described in the literature - on marine diversity is actually unknown. So we're dealing with something that we don't actually understand. You'll see in the submission to you, mine and Duncan Bay Residents, on page 17 where a number of us here attended the Sounds Advisory Group session. That's on page 17, the second to last paragraph, where the scientific advisor to the Marlborough District Council, speaking at the Sounds Advisory Group meeting on 20 March 2017, said there that the full ecological impacts of salmon farming and, indeed, all aquaculture in the Sounds is not clear. We need more data, not just about the seabed but about all parts of the marine ecosystems we're privileged to have in the Sounds.

35

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5 So that was at that particular meeting which I attended as well. That is what the scientists advised the Marlborough District Council, so that's where we make the statement that the actual impact of salmon farming and particularly its toxicity from food and from excretion by salmon is unknown. I've already said the research scope is industry expedient, not ecosystem focused. So, if you look at all that research that's there, it's always very targeted on what has been asked. We looked at it and it never looks past the edge in terms of looking at the whole impact.

10 Yes, I do believe there is conflict of interest of researchers and peer reviewers, to some extent incestuous. This is because we do have a number of outstanding scientists, but they get to be employed in the aquaculture industry and it's important that peer review is independent. When you look at all those documents that we've reviewed that we were referred to, we need to actually look at the quality of that peer review and who is doing the peer review because you can get too close to it.

15 High flow will improve production, there's no doubt about that. King Salmon tell us that that is so and that they can do much better if they have higher flow. But higher flow will not reduce environmental impact because if you look at the NIWA report of 2015, which is in the submission that I've made and in the research, of course, that you've read in association with the consultation document, NIWA says:

20 "Thus the effects of salmon farm waste, even with improved water flow, will impact almost entirely on the marine ecosystem of the Sounds itself."

25 So it's not going to be washed out to sea. They also say:

30 "Nutrients and tracers through the Pelorus Sound is driven primarily by estuarine circulation."

35 The importance of those rivers that feed into the Pelorus Sound in particular. We've already seen and I know that our members here have talked about at the moment some of the risks to rivers, but we're dependent on the quality of that river in terms of that circulation of the Sounds area, particularly the Pelorus Sound. Of course, we've seen recent research just a week ago in terms of the dire straits of New Zealand rivers. Has anyone looked at the Pelorus River and the other rivers that feed into the Sounds? Because we're going to have to rely on them for the quality of our water if salmon farming goes ahead in the Pelorus Sound.

5 Double jeopardy, and it's probably triple jeopardy, but in terms of cod it just amazes me that the consultation document referred very little to the actual cod. It talks about pelagic fish but cod, of course, aren't pelagic fish. They're actually a demersal species of fish and they're actually very territorial and very localised and they're in the areas that we actually put our muscle farms and salmon farms.

10 So, if you look at page 19, it refers to the fact that the cod has been overlooked. Let's face it, I don't know, have any of you fished in the Sounds at all? No, okay.

CHAIRPERSON: Tried to.

15 MS TUFFNELL: Well, the blue cod is the fish that people go to the Sounds for and there's less and less of them. One of the reasons is that the salmon farms are depleting the nutrients to some extent, although there are people that argue that that's not the sole reason, that you've probably got triple jeopardy that the other one is, of course, the run-off from the land and particularly the forestry and the silting up of the Sounds itself.

20 CHAIRPERSON: Wouldn't be overfishing as well, would it?

MS TUFFNELL: Probably not because we've been quite --

25 CHAIRPERSON: I thought that's why it was stopped, wasn't it?

MS TUFFNELL: We've had regulations for quite some years and you're only allowed two per person and it's quite strongly monitored.

30 CHAIRPERSON: I know that.

MS TUFFNELL: The size is very specific so --

35 CHAIRPERSON: But that came about because it was overfished, wasn't it?

40 MS TUFFNELL: It was overfished? Well, there's arguments about that. I'd love to see the research if you can show it to me that it's been overfished because normally commercial fishing doesn't go for the blue cod, although you'll see them sometimes in the shops. Basically, the habitats of the blue cod are being destroyed. So, we can have an argument about that perhaps.

45 Just to summarise it down, I've put there, "All sites are navigation hazards" and I'm not going to go into it. It's in the submission, some comments on that, because all of us are boaties in the Sounds and there has been a whole paper prepared on it, as you know. I know that the Marlborough District Council Harbourmaster has put in a submission about navigation and there was an advisory committee on navigation.

CHAIRPERSON: Yes, we've had evidence from the Harbourmaster.

5 MS TUFFNELL: Yes, so I'm not going to make you sit there and listen to that as well, so that's a bonus for today. So, looking at standards, it's a pity that the chairman of our group couldn't be here today - he put his apologies in - but this is the one that he would have got up and spoke to. Because what we see is that New Zealand King Salmon, as we know, is generally not meeting the standards, the Benthic standards, and the Marlborough District Council is not enforcing the standards adequately anyway.

CHAIRPERSON: How do we know that?

15 MS TUFFNELL: Well, we see there that Crail Bay was reconcented in 2014 despite both parties knowing it wasn't suitable for salmon farming.

CHAIRPERSON: There hasn't been any, has there?

20 MS TUFFNELL: No, but that's the thing --

CHAIRPERSON: So they're not in breach if there hasn't been any.

25 MS TUFFNELL: -- why would you go through the process of a resource consent if you've got an area that's unsuitable?

CHAIRPERSON: Yes, but there hasn't been any so they're not in breach.

30 MS TUFFNELL: No, but they have in other areas in terms of the Benthic standards.

CHAIRPERSON: Have they?

35 MS TUFFNELL: Most definitely. Looking at the standards, because I followed through in terms of commenting on what was required to be commented on, unlike a lot of other submissions that I've read, I did try to provide the kind of feedback that they were looking for here and I have read the Benthic standards. They're not very comprehensive in that one of the things that comes up is the work processes themselves. I asked a question of King Salmon about how they actually keep their netting and so on clean, and they no longer use copper-based materials but they do use a water-blasting technique, so they tell me, which I've mentioned in here. But I have a concern that perhaps work processes are introduced without necessarily being adequately assessed in terms of their environmental impact. I don't know what water blasting effect is and how often it occurs around the infrastructure of a salmon farm.

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45 There are just lots of questions that came up for me in this, really.

MR DORMER: If it's just water blasting, it's unlikely to be adding any pollutant.

MS TUFFNELL:

No, if you're just using water, but the effect on the actual structures themselves around the Benthic area, what effect does that have when it's water blasted regularly? I don't know and that's the question I'm asking. These are some of the answers that we should have.

[5.45 pm]

On page 10 there's comments about corrective action, because I know you're going to say to me how do I know there's not timely corrective action. I give two examples on page 10 there, one about the change in oxygen concentration - it's the second paragraph down - where corrective action actually isn't taken until following the next harvest of the salmon on the marine farm, according to standard 37 and another corrective action example there about copper and zinc levels. As the standard stands, it could be more than 12 months before corrective action is taken.

So, looking at that whole response to when a standard is not being met and the timeframe for corrective action is really important. I used to work as an ISO9000 series auditor so I do know a little about standards and auditing and timely corrective action.

"Research proves ..." I think if you've read all the research around this particular document here, you will know there's lots of proof there from lots of different areas and there's international proof that salmon farms damage the marine environment. Now, you can say how big or small that is, that's the question, but it is quite clear that having a salmon farm will damage the marine environment to a smaller or lesser extent.

One of the reasons why farms have to be fallowed -- and it sometimes takes up to ten years if you're lucky for that actual environment to recover after salmon have been farmed on it. So there's no doubt that salmon farms damage the marine environment. Perhaps if you pop that in your notes because that is a fact. Even on the "Sunday" programme it was noted by the CEO of King Salmon that, in fact, it could be claimed to be pollution. So he was cautious as ever but he did actually make that statement, so some people, he said, would claim that it is pollution and certainly they do.

5 I don't know if you've seen this document, "Our Chance to Turn the  
Tide". It's the New Zealand document on biodiversity. Page 57, "80  
per cent of New Zealand's biodiversity is in the sea." Eighty per cent.  
I suggest you need to be familiar with this document. It's got whole  
strategies about marine biodiversity and how we protect it, and it just  
seems very strange that we have a document like that and then at the  
same time we completely go against what it prescribes for us as people.  
We're meant to do these environmental things but not necessarily  
business.

10 CHAIRPERSON: Whose publication is that?

MS TUFFNELL: This one here?

15 CHAIRPERSON: Yes, who put it out?

MS TUFFNELL: This is the Government.

CHAIRPERSON: Yes, who put it out?

20 MS TUFFNELL: Helen Clark actually.

CHAIRPERSON: It's a discussion document.

25 MS TUFFNELL: Yes.

CHAIRPERSON: In 2000?

MS TUFFNELL: Yes, it is.

30 CHAIRPERSON: We've come a long way since then, I think.

MS TUFFNELL: We have come a long way since then. Hopefully, we've come a long  
way since then. That's what was planned, so hopefully we have come  
35 a long way since then. But it is undisputed that in that document it says  
80 per cent of New Zealand's biodiversity is in the sea, unless you think  
that's changed as well.

40 CHAIRPERSON: I'm not sure.

MS TUFFNELL: No, okay. So we've also had just recently the New Zealand Environmental Reporting Series, a great bit of publicity that came out from the combined ministries talking about the threats to coastal marine habitats and ecosystems, looking at birds, dolphins and fish and other marine animals. So they have very long lists of the problems associated with the threats to our marine environment. If you look at what they say about the seabed effects, page 17: ocean acidification, which we'll talk about in a moment; impacts of seabed trawling and dredging; marine pests, and I've got there a note that salmon have a high incidence of a number of diseases that aren't in other species; excess nutrients being carried down waterways; heavy metal toxicity on coastal and open ocean ecosystems; and loss of biodiversity.

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So, on top of that we're now going to plonk open cage salmon farming. What we're finding internationally is that open cage salmon farming is not acceptable. If you look at page 11 and what's happened in Tasmania, in January 2017, this very year so not out of date at all, the Institute for Marine and Antarctic Studies published a report on the environmental research in Macquarie Harbour, Tasmania. It revealed that:

25

"Due to salmon farming in the harbour, conditions in the harbour have dramatically deteriorated with the amount of dissolved oxygen in the water plummeting to historic lows."

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There's been a significant decline in the abundance and diversity of Benthic and fauna and in one particular lease by a salmon farm the data suggested that the sediments were virtually devoid of all fauna out to at least 500 metres from the cages. That's Tasmania.

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On page 12 of the submission, the Supreme Environmental Court in Sweden has banned fish farming in cages in open water via the Weser judgment from the European Union court. A simpler, cost-effective and more sustainable way than a conventional cage culture is being promoted. In Denmark, similar activity there; we're actually starting to see some innovative closed-containment salmon farming methods.

40

So, is the threat worth it? Salmon diseases and trial and error approach to vaccines. If you look at my submission, I did ask King Salmon whether they used vaccines. They said they don't use them routinely - and you'll see there's detail in the report there - but they have from time to time experimented with vaccines. I just ask - it's not clear in any of the documents - whether, in fact, that's a permissible activity in terms of biosecurity.

45

So, there has been an outbreak, as we know, in King Salmon farms in 2011 with rickettsia and other bacteria, so we do know that there can be outbreaks and they can be very severe.

5 So, we're realists, really, because amongst a group of people you'll find  
people that have an interest in muscle farming or salmon farming or  
whatever. We're realists in that you're not going to stop salmon farming  
and I don't think we necessarily would want to stop aquaculture as a  
matter of course, but it is important that salmon waste is actually  
10 contained because it can be quite toxic to the marine environment. It's  
happening in other countries. I've given you on page 13, 14 and 15 a  
whole lot of examples about salmon farming in a way that doesn't  
contaminate the environment.

15 So, if we look at not containing waste, if waste isn't contained, and  
we've got coming on us ocean acidification - and this is mentioned  
within the 2016 report from the ministries themselves about our  
environment - ocean acidification is going to mean that, in fact, it is  
going to be a big threat in terms of our future, particularly with muscles,  
I think. There's a possibility for affecting that in particular.

20 So, how do you then add ocean acidification on to non-containment of  
waste? Because what you're going to end up with is an environmental  
disaster. We cannot easily control ocean acidification. It's happening  
internationally and it's going to destroy habitats, particularly in areas  
like the Sounds where there isn't that same flow of water as an ocean.  
25 But we can easily control waste from salmon farms through  
containment. It's been done, it's not rocket science, and this is where  
really King Salmon needs to put its money developing environmentally  
safe management methods.

30 So, rather than stand at one end of the spectrum, the opposite end to  
King Salmon, what we're saying is that we actually need to protect the  
environment. It is possible to co-exist if the environment is protected.

35 Finally, in summary, Mr Skelton, Crosby and Dormer, this is your  
chance to turn the tide, which is what this out of date document  
proposes to do, "Our Chance to Turn the Tide". I don't think it's out of  
date at all. Insist on closed containment salmon farming before further  
resource consents are granted, not later when the Sounds are gravely  
40 damaged from open cage farming.

I'd just like to invite the rest of the residents that have come along today  
to make any comments.

45 MALE SPEAKER: Christine, by salmon waste, are you including the 80 per cent of the  
food that goes through the nets as well as the faecal waste?

MS TUFFNELL: Yes.

MALE SPEAKER: So, in fact, it's probably the excess food that's more of a problem than the actual faecal material, is that right?

5 MS TUFFNELL: Well, both are, really. It depends. If you've got viral infections, for example, you could well have viral shedding from faeces. Graeme?

10 GRAEME: I've been messing around in the Sounds for many years. I can recall when the salmon farms first applied for their consents that most of the opposition was because of the damage to the environment. Experts assured us it wasn't a problem. Here we are now, 40-odd years later, and it appears that the experts weren't right.

15 Now, the other comment in this recent report that was released about our rivers pointed out the bad state they were in and it's fairly widely recognised that the biggest contributor to that is the over-intensification of dairy farming and the excess nitrogen being released into the water. This is exactly what we're going to do in the Sounds if you increase all the salmon, excessively introduce nitrogen along with other things into the pristine water, which doesn't all go out to sea. The tide flows in for approximately half the time of the flow, so it's carried right back into the Sounds where any material settles. This is ludicrous to allow this.

20 In fact, on the "Sunday" programme the other week, the guy from MPI, when it was suggested to him that the board that had said that the Sounds was now at an optimum of aquaculture, his comment was, "Well, no, that's not really correct. We have our lawyers looking at this". Not scientists, not experts, but lawyers, which tells you where their interest lies.

30 MR DORMER: I didn't see the TV show.

MS TUFFNELL: Oh, you missed something.

35 MR DORMER: No, no, no.

MS TUFFNELL: He doesn't want to see it.

MR DORMER: I want to make my contribution to this Panel based on the evidence we've seen and heard, not on some TV show.

40 GRAEME: But I'm just saying that was the man from MPI --

MR DORMER: But I was about to explain to you what I understand to be the basis of the man saying that. There was a dispute - there probably still is - as to the extent to which the board of inquiry imposed a threshold test and, if it did, on the basis on which it imposed that threshold test. That is what I understand lawyers are currently looking at. They weren't seeking, I trust, a lawyer's opinion on whether or not environmental standards are sufficiently high or whatever, but I do know they were seeking lawyers' opinions on the extent to which there is a threshold test.

[6.00 pm]

GRAEME: Surely if they believed they didn't have the correct data to start with, they would be looking at getting the right data, not a legal opinion.

MR DORMER: No, it wasn't a question of the adequacy of the data. It was a question of whether the board of inquiry imposed or did not impose --

CHAIRPERSON: Yes, had legally imposed.

MR DORMER: -- a threshold, a limit on the number of farms, and that is an appropriate question for the lawyers to be answering rather than the scientists.

CHAIRPERSON: As a matter of law we're talking about whether the board of inquiry as a matter of law has fixed a threshold beyond which we shouldn't go. That's a legal issue.

GRAEME: Yes, and I think what we're looking at here is the quality of the Sounds.

CHAIRPERSON: Oh, indeed.

GRAEME: That's not a matter of law, that's a matter of common sense.

MR DORMER: I just wish to resist the idea you put up that they're asking lawyers to express a view on the water quality.

CHAIRPERSON: They're not.

MR DORMER: It would be inconceivable for me that they do that, but we do know they're asking lawyers to look at this other issue, which may be the one they're referring to in the quote that you mentioned. But rest assured we're not going to be influenced by what's on TV. You're far more influential in coming along here. You're far more influential than some highfalutin TV news reporter or so-called news reporter.

GRAEME: But as I said earlier, it's worth looking - and they're probably available - at the documents from the initial applications for their farms and the objections that were raised then.

- CHAIRPERSON: Yes, how far back are you going?
- 5 GRAEME: It's probably 40-odd years now. It's a long time for my memory.
- MS TUFFNELL: About 30.
- CHAIRPERSON: I was a judge doing cases here 40-odd years ago.
- 10 MS TUFFNELL: Well, there you go.
- CHAIRPERSON: I don't remember salmon farms. I remember muscle farms.
- 15 GRAEME: Yes, but the salmon farms, there was a lot of objections about the environmental damage that occurs from a salmon farm.
- CHAIRPERSON: They haven't been 40 years, though, have they?
- 20 MS TUFFNELL: No, about 30, Graeme.
- CHAIRPERSON: Yes.
- 25 GRAEME: But going back to the original resource consents for them, and that information should still be available.
- CHAIRPERSON: Yes.
- 30 MS TUFFNELL: It would be interesting to review it. Did you want to say something, Ken?
- KEN: No, I'm just quite happy if the three gentlemen digest the contents of your submission and I'm sure they'll make the right decision after reading it.
- 35 CHAIRPERSON: Have you got any further questions?
- MR DORMER: No, thank you.
- 40 CHAIRPERSON: Have you?
- MR CROSBY: No, it was very thoroughly done.
- 45 CHAIRPERSON: I just want to pursue one little point with you about the dairy farming. Why do you think that this proposal involves an increase in intensity of salmon farming?
- GRAEME: Because they've said they're going to increase the amount of salmon they're farming, in effect.

- CHAIRPERSON: They may do that. They may do that over a period of time if -- have you looked at the conditions?
- 5 GRAEME: This apparently, from what I've seen and heard and listened to people talking about, is they're not just shifting the existing salmon farms and keeping the production the same as it is in those farms now, they want to go to high-flow sites so they can dramatically increase the number of fish.
- 10 CHAIRPERSON: Yes, maybe.
- GRAEME: So that if you put more fish in there, you put more contamination into the sea.
- 15 CHAIRPERSON: Yes, so you're not familiar with the basis for adaptive management over a period of years? They're not going to put a whole lot of additional feed into the environment straight off. Are you aware of that?
- 20 GRAEME: By the time they realise what they're doing a major amount of damage is done. Look at the damage they've created in the sites they're in now.
- CHAIRPERSON: Yes, that's why they're moving them.
- 25 GRAEME: That's what we want to try and stop happening elsewhere.
- CHAIRPERSON: So there's no increase in the areas involved.
- GRAEME: But there's an increase in the volume of fish.
- 30 MS TUFFNELL: It actually was on the TV programme, I hate to tell you, but the CEO of New Zealand King Salmon said. He was asked directly, "Will there be an increase in fish numbers?" and the answer was yes. So, that's pretty clear.
- 35 GRAEME: That's from King Salmon.
- MS TUFFNELL: Publicly on national television.
- 40 CHAIRPERSON: I think that's their end goal.
- MS TUFFNELL: Yes, of course.
- CHAIRPERSON: But they may never get there because they've got to do it in stages and they're quite stringent stages. They're quite limited stages.
- 45 MS TUFFNELL: But they've been stringent up until now with the Benthic standards. Why aren't they being met?

- CHAIRPERSON: So you say they won't comply with the requirements that are laid down in the plan?
- 5 MS TUFFNELL: No.
- CHAIRPERSON: Is that what you're saying?
- 10 MS TUFFNELL: No, I'm saying at the moment why should we trust that when, in fact, at the moment we have standards that aren't being met? Why are we now going to suddenly say we can rely on this slow and gradual increase because we certainly haven't seen that level of confidence before?
- 15 CHAIRPERSON: Well, except that the Benthic guidelines have only in recent years, the last couple of years, actually been fixed.
- MS TUFFNELL: Yes, but there were standards before that as a requirement of resource consents, too, weren't there?
- 20 CHAIRPERSON: Oh, very poor.
- MS TUFFNELL: Minimal, one would say, yes.
- 25 CHAIRPERSON: So you've got no confidence in the Benthic guidelines?
- MS TUFFNELL: I've got confidence in the Benthic guidelines, but I don't necessarily have confidence as to how soon they will be met.
- 30 CHAIRPERSON: Well, they have to be met straight away.
- MS TUFFNELL: Well, they won't be, will they, because we've already got them and they're not met straight away.
- 35 CHAIRPERSON: Yes, but I'm talking about the new sites.
- MS TUFFNELL: You're talking about high flow that doesn't necessarily solve the problem of the environment.
- 40 CHAIRPERSON: Okay. Well, that's a different matter, though.
- MS TUFFNELL: Well, no, it's the same matter, Benthic guidelines are the environment.
- CHAIRPERSON: Well, then you're not confident about the application guidelines?
- 45 MS TUFFNELL: No, not at all. No, put a big tick next to that, yes.

- MR DORMER: There are two issues there. Are you not confident that the Benthic guidelines are appropriate standards or are you not confident that those standards will be enforced?
- 5 MS TUFFNELL: Well, probably both if you really asked me for a personal opinion. Probably both in that the Benthic guidelines are about the Benthic environment and what I've been saying to you is that it's a much bigger issue than just that.
- 10 MR DORMER: Forgive me, but it's much more likely that when we have to weigh up your opinion against a water quality scientist's opinion --
- MS TUFFNELL: Yes, of course.
- 15 MR DORMER: -- it's much more likely we're going to prefer his view to yours.
- MS TUFFNELL: Well, yes, possibly, although you need to look at why he's making that comment and whether he's employed by King Salmon. I'm not employed by King Salmon or anybody else, so I guess I don't profess to have a professional opinion. We've done our best to provide comment on what was asked in terms of what they wanted feedback on, but no way am I a scientist, no.
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- MR DORMER: You're more able to give evidence about the second of those two questions about the degree to which you're confident those standards will be enforced. Because I'm warning you, not very obliquely, pretty directly, really, that I'm not going to place much weight on your opinion about the adequacy or otherwise of the scientific standards. I'm going to place much more weight on the opinion of the scientists.
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- 30 MS TUFFNELL: Yes.
- MR DORMER: But then the question of the enforcement is another question.
- 35 MS TUFFNELL: Yes, it is.
- MR DORMER: His opinion is not worth any more than yours on that issue.
- MS TUFFNELL: Yes, I understand that, although I don't think the standards are entirely scientific. As I said, I think there are more standards there that need to relate to things like work processes and so on that aren't necessarily in the Benthic standards. I think we have to look at the actual processes by which salmon farming is undertaken and make sure that those processes don't create problems for the environment. You can have all the Benthic standards you like, but there may be other stuff going on that needs to be looked at, yes.
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- 45
- CHAIRPERSON: All right.

- MS TUFFNELL: Sorry to be cynical.
- CHAIRPERSON: We're quite used to that.
- 5 MR DORMER: I think we have between us, particularly the Chairman, seen far more examples of practice that entitle us to have a degree of cynicism than you might think.
- 10 CHAIRPERSON: Over many years. Thank you all very much for coming. I'm sorry that we've had to keep you here until this hour, but we're grateful to you for coming. We're grateful to you for spending I suppose the good part of a day here, really, haven't you? Thank you for doing that. We appreciate that very much.
- 15 MS TUFFNELL: Thank you.
- CHAIRPERSON: All right. Now, finally, we have Hazel Monk. Thank you for your patience.
- 20 MS MONK: Not at all, no.
- CHAIRPERSON: How would you like to proceed?
- 25 MS MONK: Do I read through just quickly? I've just got a two-page submission. Shall I just whiz through it?
- CHAIRPERSON: Yes. Have you got any copies for us? We have some other documents here.
- 30 MS MONK: Sorry, I didn't realise I had to provide that.
- CHAIRPERSON: This is your original document. Yes, I think I've seen this. Don't worry about that; we'll find it.
- 35 MS MONK: Right. Anyway, I'll just whiz through. In my first seven years I lived at Waikawa Bay and as an adult I've dived and I canoe and swim in this area of Queen Charlotte Sound.
- 40 CHAIRPERSON: You are here ...?
- MS MONK: I'm here on behalf of the --
- CHAIRPERSON: On behalf of the Marlborough branch of the Royal Forest and Bird?
- 45 MS MONK: The Marlborough branch of the Royal Forest and Bird Society.
- CHAIRPERSON: Are you?

MS MONK: Yes.

CHAIRPERSON: Yes, so it's not a personal submission?

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MS MONK: No, but I've got a background in physical geography, biology and chemistry and I've taught science at high school. I attended the Picton meeting provided by the MPI and I was impressed with the information.

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CHAIRPERSON: You attended ...?

MS MONK: The Picton MPI, the meeting.

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CHAIRPERSON: Did you?

MS MONK: Yes.

CHAIRPERSON: And you were impressed by that?

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MS MONK: Yes, a lot of information there from is it the aquaculture unit that was there, I'm not sure, with their issues and information surrounding the salmon farm relocation. But there remain a few issues of concern. So, just to summarise, the first point was the process. It's too noisy, isn't it?

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CHAIRPERSON: We're not quite picking you up, I don't think.

MS MONK: Sorry.

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CHAIRPERSON: Pull it towards you a bit if you can. Yes, that's good.

MS MONK: So, there's just a few issues of concern. The first one was the process used. The second one was that planning decisions should be based on scientific data. The third concern was the increased nitrogen inputs into an already stressed environment. The fourth issue was concerning endangered wildlife, notably king shags, and the last one was maybe that alternatives are available that maybe King Salmon could look into.

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MS MONK: The process giving the Minister, MPI, the power to override or to sidestep the Marlborough Sounds Resource Management Plan, I think it sets a precedent that could be dangerous. It could be of concern. The Government will have a way to give an individual firm a quicker and easier process to get approval to set up in this case the new salmon farms in the protected outer Marlborough Sounds, which overrides the Marlborough council's plans which prohibit agricultural development in this area and plans which protect the scenic and landscape values.

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The Marlborough District Council reviews its plans annually and that's the proper process for decisions and future plans is to submit to those annual plans.

- 5 CHAIRPERSON: I think you're confusing annual plans with RMA plans.
- MS MONK: Maybe.
- 10 CHAIRPERSON: Annual plans are budgetary type things, and I do know that because I'm a regional councillor.
- MS MONK: Yes, the Marlborough annual plan.
- 15 CHAIRPERSON: Yes, but that's not an RMA Plan.
- MS MONK: Sorry, the council's RMA Plan that's annual.
- CHAIRPERSON: Well, they wouldn't review that every year.
- 20 MS MONK: Right, okay.
- CHAIRPERSON: I'd be very surprised if they reviewed it --
- 25 MS MONK: Maybe I'm getting muddled up.
- CHAIRPERSON: I think you might be.
- 30 MS MONK: Yes, you might be right there, but it's sidestepping that process which is subject to independent strategic scrutiny.
- CHAIRPERSON: Is it?
- 35 MS MONK: Well, this issue anyhow should be subject to Environment Court scrutiny.
- [6.15 pm]**
- CHAIRPERSON: Oh, I see, that's your point?
- 40 MS MONK: Yes, rather than ad hoc ministerial decisions.
- CHAIRPERSON: Yes, okay.

- MS MONK: It's very difficult to weigh up a firm's economic interests against those of local people and wildlife and the environment. This is a new process that the MPI is wanting to put in place where people must make submissions which will be looked at by a Government-appointed panel rather than a more robust hearing where experts would be cross-examined and there's no right of appeal, I believe. So I'm concerned about the process. We're concerned about the process. That's the first point.
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- CHAIRPERSON: Yes.
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- MS MONK: The second point, which is the major one, I think, is that planning decisions should be based on scientific data. Surely we need to see that the three high-flow sites currently in operation - that's A, B and C - that they're operating within the S5 Benthic levels at maximum feeding levels before agreeing to allow more farms. The monitoring I don't think was complete until just recently and so the report is not available.
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- CHAIRPERSON: Yes, I think we're aware of that.
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- MS MONK: The report is not available, but we had to submit our comments before. Decisions about environmental issues, about any issues, need to be made with foresight with scientific data because we want to avoid retrospective damage control.
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- The third point: increased nitrogen inputs into an already stressed environment. Dr Steve Urlich, our marine scientist at the local council, wrote a little article in response to, "Our Marine Environment", which was the Minister for the Environment's report last year, which highlighted the biodiverse seabed ecosystems which have been under sustained disturbance from seabed trawling and dredging. That's, "Our Marlborough Sounds". His article quotes:
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- "Repeated disturbance prevents recovery of ecological communities and disrupts key ecosystem functions."
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- He goes on to say that some seabeds are more fragile than others and recovery from a single trawl can take several decades. In our coastal Marlborough Sounds, very few areas are legally protected from commercial and recreational sea floor disturbance, so the habitats that remain are, therefore, vitally important. The Environment Court recently confirmed the Resource Management Act, which requires councils to protect important seabed habitats. We don't allow individuals and housing, people in the Sounds who want to build there, to discharge nitrogen effluent levels, their waste, but there doesn't seem to be the same controls.
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- CHAIRPERSON: Yes, that point has been made several times now.

MS MONK: Great, okay.

CHAIRPERSON: So we can move on.

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MS MONK: All right. The fourth point to do with that is the concerns about the modelling, which I don't think is on there. Because page 52 and 53 of the discussion document, MPI's discussion paper number 2007/04, talks about:

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"The water quality models do not consider the potential seabed effects, and seabed effects are likely to occur at lower feed levels than water quality effects and would serve as the limiting factor to the amount of feed that could be discharged."

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The review has noted that models should predict as well as possible the scale of the whole Sound but will not be accurate for predicting fine-scale effects on embayments."

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The limitations of the models currently used are outlined in both the summary AEE and the NIWA reports:

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"While the models are appropriate for a wide range of resource management purposes, direct comparison to an existing system has not been undertaken."

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The scenarios put forward are what are the outcomes likely to be if we get rid of farm F to build farm 1 or farm 2 or 3 or 4 or 5. What if we get rid of farm G and build farm 1 or farm 2 or 3 or 4 or 5? There's so many different permutations that we haven't got the modelling. The modelling we feel is inadequate. I must ask you: is there sufficient information?

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MR DORMER: There's even a difference of opinion between MPI and King Salmon as to which of the farms which are being proposed to be closed, the order in which they should be closed.

MS MONK: Right.

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MR DORMER: So if King Salmon and MPI can't agree between themselves on that one, I imagine if you'd put your mind to it you could come up with a third view that both of them are wrong and this one should be closed first.

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MS MONK: That's right, and there's so many different permutations, so many different combinations. Is there sufficient information to make decisions around water quality? It appears --

CHAIRPERSON: So that's a limitation of the modelling, isn't it?

5 MS MONK: Yes, and the reviews recommend that supporting evidence is needed. That's what Dr Steve Urlich says and the ministerial report, that report, "Our Marine Environment" that was put out last year. We need more research. We need more data to make good decisions for our area. So, that's the third.

10 The fourth point - and there's only just one more - was the king shags, the endangered wildlife. Now, we'd just like to reiterate the ornithologist Rob Schuckard's points that he raised earlier, the threats to the king shags.

15 CHAIRPERSON: I think we're going to hear a good deal more about that.

MS MONK: Right, only 845 of them left. That's the latest count this year, and they're only found here. They're classified nationally as endangered, very sensitive to disturbance when breeding and feeding and roosting. Five proposed farms are in their area and the New Zealand Coastal Policy Statement states we need to protect our indigenous species in their area, in such areas. So, the conflict between the New Zealand King Salmon farms and an endangered and voiceless but treasured bird, both Ngāti Kuia and Ngāti Kōata, was one of the reasons why the court of inquiry restricted the farms here four years ago, yet it's come up. New Zealand King Salmon is being persistent and they want to ignore this earlier Supreme Court ruling. So, we'd just like to reiterate the point of view from the endangered wildlife and the fragile landscapes which are put at risk.

30 Apart from these birds, there's also harder to see flora and fauna also under threat from over-nutrition of the farmed areas. The sea floor is not inert. There's not much objective data collected to accurately describe what changes to the seabed and waters have occurred at these sites and nearby. The new A, B and C that have been in place, we haven't got the data that gives the all clear that there's no adverse effects.

40 Sustained seabed trawling, dredging and coastal forestry have made many sites extremely fragile, so we need to look more carefully and collect more data to monitor key indicators of the health of the seabed before more sites are granted permission to be used. Dr Urlich says:

45 "We have an ecological crisis occurring here on a similar scale to Brazil's rainforest destruction."

That's looking at that ministerial report. These experts, they've been working in our waters for years and they know the potential for irrevocable damage, so we need to listen to them about how fragile our ecosystem is.

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The fifth and brief point is that maybe alternatives need to be considered, that King Salmon need to look at deep water sites maybe rather than looking at our fragile coastal waters, inland waters, with their fragile ecosystems or birdlife. They need to consider other sites maybe and look at the cost-benefit analysis of those.

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There needs to be a partnership between council, MPI, DoC, iwi, King Salmon and local people to work together for a sustainable solution to balance fish production with environmental impacts. I conclude that although I enjoy eating fish and salmon, there should be no more salmon farms in the Marlborough Sounds until we've answered that question: is there enough evidence; is there sufficient data collected to make decisions around water quality? Thank you for your time.

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20 CHAIRPERSON: Thank you very much.

MR DORMER: The sites for which you say the reports will be available in May - we're at 1 May already, aren't we, so that's not very far away - you describe them later as A, B and C. Is it the A, B and C on this plan, is it?

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MS MONK: I'm just looking. The current fast-flow sites are the existing F, G -- it's very hard to see.

30 MR DORMER: When we ask for these reports that are due this month I want to make sure we're asking for the right ones.

MS MONK: Exactly. Existing sites, proposed low flow, other King Salmon sites. Where are the current fast-flow ones? Here we go. This is easy to see.

35 CHAIRPERSON: A and C are in the Tory Channel.

MS MONK: Which ones are they?

MR DORMER: A, B and C are all in the Tory Channel.

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CHAIRPERSON: They're all in the Tory Channel, aren't they?

MS MONK: They're the Tory Channel ones.

45 CHAIRPERSON: Yes, is that what you're referring to?

MS MONK: Are they currently fast-flow sites? They could well be.

- CHAIRPERSON: Yes, Clay Point, Te Pangu and Ngamahau.
- MS MONK: Clay Point, Te Pangu and Ngamahau.
- 5 MALE SPEAKER: Can I be of assistance?
- MS MONK: Yes, can you? Which are the current fast-flow sites that you've got?  
(off mic conversation)
- 10 MS MONK: So we've got Ngamahau, C.
- MALE SPEAKER: Then if you come across to the Pelorus Sound you'll be looking at E and D.
- 15 MS MONK: C, D and E are current, thank you.
- MR DORMER: No, the witness referred to only three.
- 20 MALE SPEAKER: (off mic conversation). Then there's two sites in the Tory Channel which are --
- MS MONK: D and E.
- 25 MALE SPEAKER: In the Tory Channel.
- MS MONK: Oh, sorry.
- MALE SPEAKER: Which are also high-flow sites, which are A and B. They're the older sites that we've recently had consented.
- 30 MS MONK: It's C, D and E that you've got the current monitoring? That's coming up, the data is coming up?
- 35 MALE SPEAKER: Yes. The two in the Tory Channel have already been done. Those reports are with council now. The three that have been done from the board of inquiry process are currently with the peer review panel and the (off mic conversation). I'll present those. They're the ones that I promised you when I talked to you the other day about the three sites.
- 40 CHAIRPERSON: Yes, right. Thank you, that's very helpful. So we are going to get the right ones then, yes. So that'll tell us a bit, won't it?
- MS MONK: He's the expert. I'm just a ...
- 45 CHAIRPERSON: No, that's very helpful. Have you got any questions?
- MR CROSBY: No.

- CHAIRPERSON: All right. Thank you very much, Ms Monk.
- MS MONK: Thank you.
- 5 CHAIRPERSON: It's been a long day.
- MS MONK: Well, for you especially.
- 10 CHAIRPERSON: Thank you for coming and taking the time to be here.
- MS MONK: Not at all, thanks for listening.
- CHAIRPERSON: Thank you. All right, this hearing will now adjourn.
- 15 MR GOURDIE: (off mic conversation)
- CHAIRPERSON: I don't want to hear from you again.
- 20 MR GOURDIE: No, I just had one question.
- CHAIRPERSON: No, I don't want to hear from you again, I'm sorry.
- [6.30 pm]**
- 25 MR GOURDIE: It's not a question regarding that. It's a question regarding your procedure. I would like to know how you decide. Do you have a whole lot of points and say so many people have ticked that one or so many --
- 30 CHAIRPERSON: We've got our method of making a decision.
- MR GOURDIE: But you won't tell me?
- CHAIRPERSON: Well, it's a complex matter, yes. We're used to doing that kind of thing. We'll write a report and it'll be done in a particular logical fashion that will cover all the issues that have been raised and we'll give you answers.
- 35 MR GOURDIE: Okay.
- 40 CHAIRPERSON: All right?
- MR GOURDIE: Thank you.
- 45 CHAIRPERSON: But we don't add up numbers.
- MR DORMER: And we don't count votes.

CHAIRPERSON: And we don't count votes.

MR GOURDIE: No, okay.

5 CHAIRPERSON: It's not a numbers game.

MR GOURDIE: Thank you very much.

10 CHAIRPERSON: All right, okay. Right, we'll adjourn now until 9.00 am tomorrow morning. Thank you.

**MATTER ADJOURNED AT 6.31 PM UNTIL  
TUESDAY, 2 MAY 2017**

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