Late papers

- Agenda Item 8 Pheasant Preserves (Also attached the Pheasant Preserve paper from the last meeting Item 10 with the DOC briefing for context)
- Agenda Item 34 an update sales report.
- Agenda item 22: National Finance Report to 31 October 2020
- Agenda item 23: Organisational Reserves update as at 31/8/20
- The Audit report (to be attached to Agenda 20)
- The Draft Audit Findings report (also to be attached to Agenda 20)
- Memo on Fish and Game and Federated Farmers



Audit findings report

New Zealand Fish and Game Council Group

Year ending 31 August 2020



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Introduction

To the Council

We are pleased to advise that the audit of New Zealand Fish and Game Council (the "Council") and its subsidiaries (together referred to as the "Group") is complete.

Audit Findings Report

This Audit Findings Report highlights the significant findings arising during the course of the audit.

While the matters set out within this report represent the views and conclusions reached by Grant Thornton during the course of the audit, we have discussed its contents with Carmel Veitch in order to ensure it is factually accurate.

We would like to take this opportunity to extend our sincere appreciation to the Councillors and the staff of the Council, particularly Martin Taylor and Carmel Veitch, for their assistance and cooperation afforded to us during the course of the audit.

This report has been prepared as part of the ongoing discussions between Grant Thornton and the Group. The purpose of this report is to highlight the key issues affecting the results of the Group and the preparation of the financial statements for the year ended 31 August 2020.

The document is also used to report to Council, mandatory communications as specified within the International Standards on Auditing.

This report should be read in conjunction with our audit plan and strategy report.

We draw your attention to the important notice within this report, which explains:

- the purpose of this report
- limitations on work performed
- restrictions on distribution of this report.

Audit status

Our audit is substantially complete subject to the following matters that are still outstanding:

- Receipt of the signed representation letter and financial statements

We do not anticipate that the completion of our work in these areas will give rise to any material adjustment and once complete we anticipate issuing an unqualified audit report on the financial statements with an Emphasis of Matter paragraph regarding the COVID-19 disclosure.

Brent Kennerley
Grant Thornton New Zealand Audit Limited
On behalf of the Auditor General
Wellington, New Zealand

12 November 2020



Summary of key areas of audit focus

The following table summarises the key areas of focus during the audit. They represent areas of risk identified during our audit planning or risks that were identified during the course completion of the audit.

It also summarises whether or not the area of focus is an area of accounting subject to the application of management judgement, whether any audit adjustments arose out of the work undertaken by the audit team, and whether any control findings arose for reporting to Council.

Detailed discussion and the results of our audit procedures are set out below this section.

Focus area	Judgement involved	Audit adjustments arising	Control recommendations
Management override of controls (ISA presumed risk)			
COVID-19 impact		8	





Significant financial reporting matters

We set out below significant financial reporting matters which came to our attention during the course of the audit.

Matter

Management override of controls (ISA presumed risk)

International Standards on Auditing ("ISA") state that the risk of management override of controls is a significant risk on all audit engagements

Impact of COVID-19

On 11 March 2020 the World Health Organisation declared a global pandemic in respect to the COVID-19 virus outbreak. Following establishment of a foothold within the New Zealand population, the New Zealand Government initiated a range of restrictions and measures in an attempt to eliminate the virus within New Zealand. The impact of the pandemic is ongoing and is expected to have a significant longlasting economic impact on New Zealand, with likely flow through to most businesses.

Our Response

For judgemental balances which could include management bias, we have considered the risk in planning our audit approach and reflected this in the audit work we performed.

We have performed analytical and substantive procedures on balances in the income statement and balance sheet.

We have identified higher risk journal entries in the general ledger and assessed their appropriateness through substantiation to relevant supporting evidence.

Whilst no specific matters or exceptions were noted during our work, certain control matters are set out below for the attention of management and the Council.

We have performed work in response to COVID-19 during the course of the audit:

In respect to financial statement level risks:

- Held discussions with management in respect to impact of COVID-19.
- Reviewed the disclosures contained within the financial statements to ensure they were reasonable and appropriate and in line with the requirements of the financial reporting standards.

In respect to going concern assessments:

- Obtained an understanding of the latest expectations of the impact of COVID-19 on the entity's ability to continue in operation and meet its obligations as they become due.
- Assessed how the current status of COVID-19 and related economic impact could reasonably be expected to impact going concern assessment.



Other matters

We set out below other matters for reporting to the Council.

Credit Card Policy

During our review of the credit card expenditure, we noted that there is currently no credit card policy in place. Although we identified no issues in our review of credit card expenditure, due to the inherent risk of employees having use of company credit cards, we recommend that a policy is implemented.

We acknowledge that there is adequate review process in place to ensure that the expenses incurred are business purpose. However, implementing a credit card policy sets clear and formal guidelines around acceptable usage and cardholder responsibilities and acts as a mechanism to hold employees to account should the policy be breached.

Conflict of Interest Register

From our review of the conflict of interest register, we noted that the Councillors are required to complete the declaration at the commencement of their standing which are kept as the standing conflict of interest register. Agendas are released before every meeting and Councillors are required to declare conflict with any agenda items for the specific meeting.

We recommend that a live conflict of interest register is maintained which are updated at the beginning of every Council meetings. Live conflict of interest register provide a more convenient record keeping of all Councillors and their interests.

Statement of Service Performance

During our review of the Statement of Service Performance, we noted that the information disclosed within are mainly qualitative, lengthy and some information being incomparable with prior year. Under the new standard of PBE FRS-48: *Service Reporting*, the requirements include that the information presented to the users of the financial statements shall be comparable to the prior period and consistently reported.

We recommend that management and the Council reassess how the Statement of Service Performance is to be presented. An approach could be to reassess the outcomes/deliverables reported in a way that is more direct and comparable for users to analyse achievement against prior years.



Control observations

Due to the nature of the Group, as well as the inherent control limitations, our audit approach focused predominantly on detailed substantive testing as opposed to relying on the validation of the operation of internal controls. We did however obtain an understanding of, and evaluate the control environment and where appropriate undertake some limited testing of controls.

We note that in planning and performing our audit, we considered internal controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. The purpose of our consideration of internal controls is not to provide assurance in its own right over internal controls, and therefore, our consideration of internal control would not necessarily disclose all matters in relation to internal controls that a more detailed special examination might reveal.

Due to the size and nature of the Group's finance function, there is an inherent limitation within the control environment, in that it is not practical to segregate duties in a manner that a larger organisation can or implement the same level of internal controls. Based on our work performed, discussions with management and discussions with governance we did not identify any new areas of concern to report to governance in this respect.





Adjusted and unadjusted audit differences

For the 31 August 2020 financial statements our materiality was \$124,000 (Prior year: \$116,000). We have reported any differences above \$6,200.

Unadjusted audit differences

We include a summary of the unadjusted audit differences that were identified by us during the course of the audit but not posted to the financial statements:

Detail	Statement	Statement of Financial Position			Statement of Comprehensive Income		
	Assets	Liabilities	Equity	P&L	OCI		
DR Accumulated Funds CR Asset Replacement Reserves			1,056 (1,056)				
To account for movement in the asset replace reserve related to financial year 31 August 2020							
DR Accumulated Funds CR Asset Replacement Reserves			9,590 (9,590)				
To account for movement in the asset replace reserve related to financial year 31 August 2019							
DR Asset Replacement Reserves CR Accumulated Funds			8,534 (8,534)				
To account for movement in the asset replace reserve related to financial year 31 August 2018							
Total Unposted Adjustments	-	-	-	-	-		

We have discussed the above uncorrected misstatements with management, and are satisfied that both individually and in aggregate, they are not material to the financial report as a whole.



Unadjusted disclosures

No material disclosure deficiencies were noted in our audit of the financial statements.

Adjusted audit differences

We include a summary of the adjusted audit differences that were identified by us during the course of the audit and posted to the financial statements:

Detail	Statement of Financial Position			Statement of Comprehensive Income	
	Assets	Liabilities	Equity	P&L	OCI
DR Other Expenses CR Allowance for Doubtful Debt To provide for the funds advanced to NCFGC where the probability of recoverability is low	(147,025)			147,025	
DR Other Financial Asset CR Cash & Cash Equivalents To reclassify term deposits previously classified as cash and cash equivalent when terms are longer than three months	209,561 (209,561)				

Adjusted disclosure matters
We include a summary of material adjusted disclosures that were identified by us during the course of the audit and reflected in the financial statements:

Adjusted disclosure	Amount (where applicable)
Update disclosed budget to originally approved budget at the beginning of the financial year in accordance with the requirements of the Crown Entities Act.	N/A

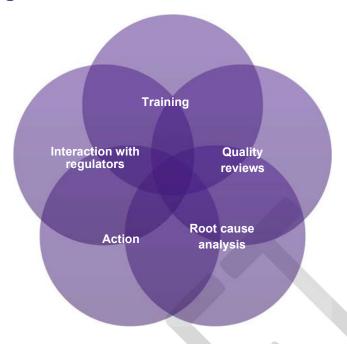


Appendix





How we deliver a quality audit



How we achieve our goal of "A Quality Audit"

We employ a broad range of mechanisms to ensure we understand our opportunities for continuous improvement.

Additionally, we have processes in place to proactively identify emerging risks and to identify opportunities to enhance audit quality and provide insights.

These processes include monitoring (both internal and external), client feedback, monitoring of complaints and interaction with regulators.

How we monitor our system of quality control

Annually, we conduct a comprehensive internal inspection program to assess whether our system of quality control is operating effectively.

The thematic findings of our internal inspections for 2017 and the themes identified by the FMA's inspections, are generally consistent.

FMA review

Grant Thornton were reviewed by the FMA in 2017. That report has been finalised and there were no material findings that require communication. The FMA report stated:

"The firm has made good improvements in its quality control framework. Overall we are satisfied with the firms approach to audit quality and the actions taken following our previous review."

The next FMA review is not expected until 2020.



Communication of audit matters with those charged with governance

In accordance with the Auditing Standards and best practice, we communicate the following matters to those charged with governance.

Type of communication	Status	Response
Auditor's responsibility under Generally Accepted Auditing Standards		As Auditors, we are responsible for the completion of our audit in accordance with the International Standards on Auditing (New Zealand) (ISA NZ), and for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The ISAs (NZ) do not require the auditor to design procedures for the purpose of identifying supplementary matters to communicate with those charged with governance.
Irregularities and illegal acts		We have not become aware of any irregularities or illegal acts during the audit. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.
Significant risk – Management override of controls		There were no significant matters that arose during the audit in connection with management override of controls
Non-compliance with laws and regulations		We did not identify any non-compliance with laws and regulations during the audit.
Significant difficulties	000	No significant difficulties were encountered during the audit.
Accounting practices		During the audit, we reviewed the appropriateness of the accounting policies, accounting estimates and accounting judgements. We did not note any instances where we considered the accounting practices to be inappropriate.
Related Parties		There were no significant matters for reporting to those charged with governance arising in connection with the entity's related parties.
Going concern		No material uncertainties over going concern were noted. The use of the going concern assumption is appropriate in the preparation and presentation of the financial statements.
Disagreements with management and scope limitations		The audit team did not have any disagreements with management, and no scope limitations were imposed in regard to completing the audit.

Type of Communication	Status	Response
Significant control deficiencies		There were no significant control deficiencies noted during the course of the audit. Other control matters noted during the course of the audit are set out above.
Matters affecting governance of the Board		There were no matters to report that arose during the audit, which in our professional judgement, are significant to the oversight of the financial reporting process.
Independence of the auditor		There have been no breaches of the independence rules for reporting to those charged with governance. No relationships have been identified between our firm and yourself that, in our professional judgement, may reasonably be thought to impair our independence. There were no non-audit services provided to the entity for the period ended 31 August 2020. As we did not provide any non-audit services during the year, no additional safeguards were required.
Draft Management Representation Letter		We have not requested any specific representations in addition to those areas normally covered by our standard representation letter.
Expected modifications to the audit report		An Emphasis of Matter paragraph is included in the audit report regarding the COVID-19 disclosure.
Audit differences		Adjusted differences: Adjusted audit differences identified are set out above. Unadjusted differences: The aggregated profit impact of unadjusted audit differences would be nil and we do not consider this to be material to our audit opinion.

Fraud

In accordance with the Auditing Standards and best practices, we communicate the following in relation to the risk of fraud to those charged with governance:



Scope of audit services regarding fraud

In accordance with Auditing Standard ISA (NZ) 240, our required objectives with regards to fraud are:

- To identify and assess the risks of material misstatement of the financial report due to fraud
- To obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses
- To respond appropriately to fraud or suspected fraud identified during the audit



Responsibility of the Council and Management

The Council and management are required to consider the risk of fraud within the Group, and are responsible for maintaining a system of internal control to prevent, or detect material misstatements to the financial statements arising from instances of fraud.



What have we done in our audit to address the risk of fraud?

- · Considered conditions present that increase the risk of fraud
- Conducted planning discussions with management regarding the risk or existence of fraud, policies and procedures in place to prevent and detect fraud
- · Reviewed accounting estimates for management bias
- Evaluated the business rationale for unusual transactions
- Maintained professional scepticism throughout the audit
- Reviewed the appropriateness of journal entries and year-end accounting adjustments
- Evaluated if any identified audit misstatements are indicative of fraud
- Incorporated unpredictable audit procedures into our plane and testing

Conclusion

From work performed, we have not been put on notice of any instances of fraud within the Group.



Important notice

This report is presented under the terms of our audit engagement letter.

- Circulation of this report is restricted.
- The content of this report is based solely on the procedures necessary for our audit.



Purpose of this report

This report has been prepared in connection to our audit of New Zealand Fish and Game Council Group's financial statements which were prepared in accordance with the Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime for the year ended 31 August 2020.

This report was prepared for those charged with governance, whom we consider to be the Council, in order to communicate matters of interest as required by the International Audit Standards (New Zealand) (including ISA (NZ) 260 (Revised) Communication with those charged with Governance), and other matters that have come to our attention during the audit work that we consider might be of interest, and for no other purpose.

This report summarises the key issues identified during the audit but does not repeat matters we have previously communicated to you. In particular, we draw your attention to our audit planning memorandum, which summarised our respective responsibilities, the results of our risk assessment and certain information regarding our audit strategy and audit planning.



Limitations on work performed

This Report is separate from our audit report and does not provide an additional opinion on the entity's financial statements, nor does it add to or extend or alter our duties and responsibilities as auditors.

We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this Report, accordingly it will not necessarily disclose all matters that the Council may be interested in or those that a more detailed special examination might reveal.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.



Restriction on use of our report

This report is made solely to those charged with governance of the entity. It should not be quoted or referred to, in whole or part, without our written consent. We accept no responsibility to any third party in relation to its content.





Departmental Briefing



In Confidence

GS ref: 20-B-0185 DOCCM: 6240949

To: Minister of Conservation Date: 6 April 2020

Subject: Meeting with Wendell Phillips of NZ Game and Conservation

Alliance, Wednesday, 8 April 2020

Action Noting the contents of this briefing. Subsequent to the meeting, we seek

sought: your advice on which options for the future operation of commercial

upland game preserves you wish to consider further

Time Frame: Meeting time is scheduled for Wednesday, 8 April 2020, 11.00–11:45 am

Risk A negative reaction can be Department's Normal

Assessment: expected from game preserve Priority:

operators and/or game

licence holders if their wishes

(which may not be aligned) Level of Risk: Medium

are not met.

Contacts

Name and position	Cellphone	First contact	Principal author
Jeff Flavell, Acting Manager Land and Freshwater Policy	027 435 8539	✓	
Michael Gee, Senior Policy Advisor	027 201 3679		✓

Executive summary - Whakarāpopoto ā Kaiwhakahaere

 The New Zealand Game and Conservation Alliance is meeting with you on 8 April 2020 seeking the removal of the expiry date of the Wildlife Order 2019 in order to allow commercial upland game preserves to continue operating after 6 May 2022.

The following paragraph is subject to legal privilege

2.

[Paragraph withheld to maintain legal professional privilege]

- 3. Preserve operators want to continue their businesses and are seeking more time to allow the NZ Council decision to be revisited and new options to be explored. It is possible that the NZ Council may wish to reconsider its advice regarding closures.
- 4. We have identified four options for the future of commercial game preserves for your consideration: (1) closure in two years (the status quo); (2) removal of the expiry date of the Wildlife Order 2019 to allow the existing interim regime to operate indefinitely; (3) creation of separate regimes for game bird hunting and game preserve operation (which may not require amendment to primary legislation); and (4) amendment to legislation to exempt commercial game preserves from the prohibition on the sale of hunting rights.
- 5. We have not consulted the NZ Council in the preparation of this paper or the development of the above options. You should consult the NZ Council before expressing any view, or making any decisions, on the future operation of preserves.
- 6. We await your advice on these matters.

We recommend that you (Nga Tohutohu) -

		Paragraph Reference	Decision
(a)	Note there are no impediments to you meeting with the New Zealand Game and Conservation Alliance, but you should not express a view on the best way forward until you have consulted with the NZ Fish and Game Council	23-24	Yes / No
(b)	Note that we have identified four options you may wish to consider for the future of commercial game preserves	31-50	Yes / No
(c)	<u>Seek</u> the advice of the NZ Fish and Game Council before forming a view on the best way forward for the future of commercial game preserves	60	Yes / No
(d)	Advise DOC of which options, and any other matters, you would like the NZ Council to consider.		Yes / No
(e)	Advise DOC how you wish to respond to the NZ Game and Conservation Alliance's letter of 10 February 2020		Yes / No

Guy Kerrison

Acting Policy Director

For Director-General of Conservation

Hon. Eugenie Sage Minister of Conservation

Purpose - Te Pūtake

- 1. A meeting has been scheduled between you and Wendell Phillips of New Zealand Game & Conservation Alliance on Wednesday, 8 April 2020, 11.00–11:45am.
- 2. This briefing summarises the background to the issues surrounding commercial game preserves and sets out some options for a way forward.

Background and context - Te Horopaki

3. The New Zealand Game & Conservation Alliance wrote to you on 10 February 2020 seeking amendments to regulations to allow the continued operation of commercial game preserves. In the long term, they seek that commercial game preserves be exempt from the provisions of section 23(2) of the Wildlife Act 1953, which prohibits the sale of hunting rights for game birds. A copy of the letter is attached; you have yet to reply to the letter.

Summary

4. Upland game bird hunting preserves are areas of private land where captive-bred game birds (pheasants and red-legged partridge) are released for clients to shoot recreationally. A fee has normally been charged for the provision of guiding, hospitality, and related services, but the hunting has been free in order to comply with a prohibition in section 23(2) of Wildlife Act on the sale of game bird hunting rights.

The following paragraph is subject to legal privilege

5.

[Paragraph withheld to maintain legal professional privilege]

- 6. To overcome this, Cabinet agreed in 2019 that the schedules to the Wildlife Act be amended by Order in Council (under section 8 of Act) so that pheasants and red-legged partridge be moved from Schedule 1 to Schedule 3 of the Wildlife Act for those parts of the country where commercial game preserves are operating. This meant that pheasants and red-legged partridge were no longer 'game' within those areas and the prohibition on the sale of hunting rights no longer applied to those species in those areas.
- 7. This was designed to be a transitional arrangement, and the Order expires after three years at the close of 6 May 2022. By that date a decision on the long-term future of the commercial upland game preserve industry would need to have been made. The NZ Fish and Game Council (your statutory advisor on recreational game bird hunting matters) was of the view that all game preserves should wind down their operations over the three years from 2019 to 2022 and then close.

Early history

- 8. Section 23(2) of the Wildlife Act reads as follows:
 - (2) No person shall sell or let for fee or reward any right to hunt or kill game on any land or on any water on or adjoining any land.
- 9. The original reason for section 23(2) of the Wildlife Act 1953 is understood to be that it was considered not appropriate for a landowner to make a financial gain from a resource that was provided by non-commercial acclimatisation societies, with management funded through game licence fees and the efforts of volunteers. However,

- this reason cannot be proved from known documentation from the 1950s when the Act was passed.
- 10. It is possible that upland game preserves were not envisaged at the time the Wildlife Act was passed, and the Act does not specifically provide for or specifically prohibit them. Section 23(2) of the Act has the effect of prohibiting commercial game preserves but does not restrict non-commercial game preserves.
- 11. The first upland game preserves began operating 18 years ago, and were established under annual Open Season for Game notices which define certain areas as Upland Game Properties with Special Conditions and allow unlimited hunting of the specified game species (pheasants and red-legged partridge) within those areas.
- 12. It was thought that commercial upland game preserves avoided breaching the prohibition on the sale of hunting rights under section 23(2) of the Act by charging for guiding and the many other (generally costly) services provided to clients, while providing free hunting rights.
- 13. Fish and Game Councils were generally supportive of upland game preserves because there were perceived to be no adverse effects from their activities as preserves were utilising a resource developed at expense of preserve operators. It was also assumed that the inevitable "leakage" of birds out of preserves into surrounding areas would improve the upland game bird resource available for recreational hunters in areas outside preserves.
- 14. The New Zealand Fish and Game Council (NZ Council) consequently supported the operation of upland game preserves and recommended them to Ministers in Open Season for Game notices.

Emergence of problem

17.

- 15. The current problems emerged when some game preserve operators proposed to breed mallard ducks, release them into preserves, and sell guided hunting of mallard ducks. This idea did not receive widespread support among Fish and Game Councils.
- 16. DOC notes that, whereas the densities of the upland game birds pheasant and red-legged partridge are naturally very low in areas outside game preserves, this is not true in the case of mallard ducks. If game preserve operators were to provide good mallard duck habitat on their properties, it would be likely that significant numbers of ducks would migrate in from surrounding areas to use that habitat. Thus, a situation might easily arise where the number of ducks shot by paying clients on a game preserve exceeded the number of ducks bred and released onto the preserve by the preserve operator. Such a scenario is exactly what section 23(2) is probably intended to prevent that is, private landowners making a financial gain from a resource provided by noncommercial Fish and Game Councils, with management funded through game licence fees and the efforts of volunteers.

The following paragraph is subject to legal privilege

[Paragraph withheld to maintain legal professional privilege]

18. As a consequence, the NZ Council decided it could not in future recommend an Open Season for Game notice to the Minister of Conservation for approval (under sections 15 and 16 of Wildlife Act) if the notice included provisions that would essentially authorize non-compliance with section 23(2).

- 19. The NZ Council consulted the regional Fish and Game Councils and decided that all game preserves should close at the end of the 2021-2022 game season (i.e. at the close of 6 May 2022). This was intended to allow commercial game preserves to wind down their operations in an orderly manner.
- 20. It is not clear to DOC what the NZ Council intends in regard to non-commercial game preserves after 6 May 2022 (whether they will be required to close or be allowed to continue). The Open Season for Game notices have continued to include provisions that allow some non-commercial game preserves (allowing hunting only of pheasants and red-legged partridge) to continue operating.
- 21. The Wildlife Notice 2019 (and associated Wildlife (Pheasant and Red-legged Partridge) Notice 2019) was therefore designed as an interim measure to allow commercial game preserves to operate from the end of the 2018-2019 game season to the end of the 2021-2022 game season.
- 22. The NZ Game and Conservation Alliance wrote to you on 10 February 2020 expressing the view that the transitional period is too short and asking that the expiry date of the Wildlife Order 2019 be removed by Order in Council. This would allow existing commercial game preserves to continue operating "until an enduring legislative solution can be implemented."

Meeting with NZ Game and Conservation Alliance

- 23. There are no impediments to you meeting with the New Zealand Game and Conservation Alliance, listening, and asking questions of clarification to become more informed of their concerns and needs. You can also indicate that you will be seeking the views of the New Zealand Fish and Game Council.
- 24. However, you should not express a view on the best way forward until you have consulted with the NZ Council (which has a statutory function to advise you on game bird matters) as expressing a view could be seen as making a decision that pre-empted advice received from the NZ Council.

Zero-based policy considerations

- 25. DOC cannot confirm the reasons for the policy behind section 23(2) of the Wildlife Act from known historical documents. If developing policy from scratch now, our initial thinking would be along the following lines.
- 26. Overall, there should be a prohibition on the sale of hunting rights for game birds to prevent people making financial gain from utilising a resource provided and managed by Fish and Game Councils, game licence fees, and volunteer effort. This management can include habitat support, monitoring of bird populations, the setting of hunting seasons and conditions, and the enforcement of hunting conditions by Fish and Game Council staff and honorary rangers.
- 27. The operation of any upland game preserves should be kept separate from the regime for game birds managed by Fish and Game Councils as the pheasant and red-legged partridge hunting resource on such preserves is provided and managed by game preserve operators at their own expense. DOC understands that the only significant interactions between pheasant and red-legged partridge resources on game preserves and those managed by Fish and Game Councils outside of preserves are as follows:
 - birds released onto upland game preserves 'leak out' of preserves, enhancing an otherwise scarce resource in areas outside preserves; and
 - if upland game preserve operators conduct hunts on their land in the month before opening weekend of the duck hunting season, waterfowl game birds in nearby

¹ Quote from last sentence of first page of 10 February 2020 letter.

wetlands may become unsettled and harder to hunt on opening weekend, spoiling the recreational hunting opportunities of game licence holders. (This is currently addressed by having a closed season on the game preserve in the month before opening weekend.)

- 28. An additional new factor to be considered is the possible changing public views on the acceptability of game bird hunting generally, and game preserve activities in particular. DOC understands that, internationally, there is increasing public opposition to blood sports in principle. If this is true in New Zealand, any future public review of recreational game bird hunting and/or the operation of upland game preserves could lead to public pressure for upland game preserves to be prohibited, and possible pressure for an end to all recreational game bird hunting. Recreational duck hunting has become prohibited in three Australian states: Western Australia, New South Wales, and Queensland.
- 29. The NZ Fish and Game Council has previously advised DOC that, while recreational game hunters hunt for the table (*i.e.* they generally eat birds they have shot), historically, many birds shot on upland game preserves have often been discarded rather than eaten. The NZ Council has previously indicated that hunting for consumption is considered more widely acceptable than hunting and discarding. Upland game preserve operators have previously indicated to DOC that operators are aware of this issue and now seek to ensure that all birds shot are consumed and not discarded.
- 30. These are DOC's initial thoughts only. We would need to undertake further analysis, and the New Zealand Fish and Game Council would need to be consulted, before modern policy recommendations on a need for section 23(2), its relationship to commercial upland game preserves, and likely benefits and risks, could be developed and identified.

Options for a way forward

31. We consider there are perhaps four options for the future of commercial upland game preserves. However, we consider that you should seek the advice of the New Zealand Fish and Game Council before adopting any option given the NZ Council's statutory role in advising you on game bird matters.

Option 1. Continue with the status quo

- 32. One option is to continue with the status quo. Under this option all commercial game preserves will close in 2 years' time when the Wildlife Order 2019 expires. Non-commercial preserves may also need to close at this time, or the NZ Council may recommend to you that non-commercial preserves continue to be provided for in Open Season for Game notices for hunting seasons after 6 May 2022.
- 33. This option would align with previous advice you received from the New Zealand Fish and Game Council. However, it is conceivable the NZ Council may have changed its view since then.

Option 2. Remove the expiry date of the Wildlife Order 2019

- 34. A second option is that proposed by the NZ Game and Conservation Alliance to amend the Wildlife Order 2019 by Order in Council to remove its expiry date. Pheasants and red-legged partridge would then remain listed on Schedule 3 when on game preserves until such time as the Order was revoked by Order in Council.
- 35. This option would allow existing commercial game preserves to continue operating indefinitely but would not allow new preserves to be created or existing ones amended. This regime could potentially continue until an amendment to the Wildlife Act could be considered, and implemented if considered appropriate.
- 36. This option may carry a risk that keeping pheasants and red-legged partridge listed on Schedule 3 only for commercial game preserves for an indefinite period could be

considered improper if it is thought to be aimed at defeating the purpose of section 23(2). However, as noted above (paras 9 and 10) it is unclear what the policy purpose of section 23(2) is.

37. The views of the NZ Fish and Game Council on this option are not known.

Option 3. Separate regime for pheasant preserves

- 38. A third option is to create a new separate regime for pheasant and red-legged partridge preserves to operate alongside the Fish and Game Council game bird regime. It may be possible to implement such a dual system without amending primary legislation.
- 39. While most game bird species breed in wild and self-sustain huntable populations, pheasants are uniquely singled out in the Wildlife Act as a game species routinely requiring releases of captive-bred birds to the wild to provide a hunting resource (definition of 'domestic bird' in section 2(1) of Act refers). To provide the resource at the level desired by hunters on pheasant preserves, large numbers of pheasants must be bred in captivity, released into the preserve, and then supported by supplementary feeding and predator control.
- 40. The pheasant and red-legged partridge hunting resources found on upland game preserves are developed at the expense of private landowners independently of the game bird resources maintained by Fish and Game Councils (which are funded by licence fees and volunteer effort). It may therefore be considered appropriate for them to operate under a separate regime.
- 41. A potential way to implement a separate regime is set out below, and would not require legislative amendment. It has some similarities with, but also key differences to, the current temporary regime which ends on 6 May 2022.
- 42. Under this option, pheasants and red-legged partridge would cease to be game birds completely and would be removed from Schedule 1 of the Wildlife Act and listed on Schedule 3 of the Act for the whole country. You would then approve a Gazette Notice under section 6 of the Act allowing pheasants and red-legged partridge to be hunted. The notice, prepared by DOC (as the current section 6 notice was) would:
 - define the areas of pheasant preserves² (the NZ Game and Conservation Alliance might assist in preparing the descriptions of the areas);
 - provide for unlimited pheasant and red-legged partridge hunting on pheasant preserves;
 - provide for appropriate low daily bag limits³ for pheasants and red-legged partridge in areas outside pheasant preserves (the NZ Fish and Game Council might provide advice on suitable bag limits);
 - set hunting seasons, hours of hunting, and any other necessary conditions for hunting, outside and within preserve areas, such as not allowing hunting on pheasant preserves in the month before the opening of the duck hunting season. (The NZ Game and Conservation Alliance and the NZ Fish and Game Council might choose to provide advice on these matters.)
- 43. The description of a separate regime outlined above is indicative but there appear to be no legal impediments to its implementation. The removal of pheasants and red-legged partridge from Schedule 1 would not result in significant loss of revenue for Fish and

² The areas would be defined in the section 6 *Gazette* notice rather than specified in Schedule 3 of the Act as they are under the current temporary regime.

³ In all Fish and Game Regions, only cock pheasants may be hunted in areas outside pheasant preserves, and the daily bag limit is typically much lower than for most other game species. Only two of the twelve Fish and Game Regions have an open season for red-legged partridge.

- Game Councils because most people who hunt those species also hunt other game birds and so will continue to buy a game licence.
- 44. Fish and Game Council enforcement officers (including honorary) are already empowered to undertake enforcement of Schedule 3 species (or can be so authorised), should councils wish to ensure that pheasant and red-legged partridge hunting conditions are complied with.
- 45. This regime could operate indefinitely, or until such time as a more refined system was be put in place, if required, through amending primary legislation.
- 46. The views of the NZ Fish and Game Council on this option are not known. If the NZ Council is supportive of commercial game preserves, this option (or similar) would provide a more flexible and practical regime (long-term or interim) than option 2.
- 47. The establishment of a separate regime for pheasant and red-legged partridge preserves would warrant public consultation, following consultation with the NZ Fish and Game Council. Such consultation could confirm or otherwise the appropriateness of the separate regime outlined above, or might reveal a need for a more refined option requiring legislative amendment.

Option 4. Amend Wildlife Act to allow sale of hunting rights on game preserves

- 48. A fourth option is to seek an amendment to the Wildlife Act to exempt commercial upland game preserves from the requirements of section 23(2), subject to appropriate conditions. This option would keep pheasant and red-legged partridge hunting within the current game bird management regime administered by the Fish and Game Councils.
- 49. This option would be feasible only if the necessary amendment bill could be considered as part of the Government's legislative priorities.
- 50. Public consultation would be required before recommending any amendment to primary legislation, and the public could submit again during the subsequent select committee process. The views of the NZ Fish and Game Council on this option are not known.

Consultation with NZ Council

- 51. Having met with the Alliance, you could consult with the NZ Fish and Game Council on some or all of the above four options, plus any additional matters you wish to raise with the NZ Council in light of your meeting with the NZ Game and Conservation Alliance.
- 52. You could then consider the advice received from the NZ Council, together with advice from DOC and Crown Law, before advising the NZ Game and Conservation Alliance of your response to their request (Option 2 above) and your meeting with them.

Risk assessment - Nga Whakatūpato

- 53. If you decide to do nothing (Option 1), then all commercial upland game preserves will be required to close down by 6 May 2022. If you choose this option, we see no significant risks to you or to DOC.
- 54. If you consider that doing nothing may be the best option—or if you consider that other options should be explored—we recommend that you consult with the New Zealand Fish and Game Council before making any decisions as the Council may have changed its view since it last provided advice to you about commercial upland game preserves. Provided that you receive advice from the NZ Council before expressing any view or making a decision, process risks will be addressed.
- 55. A negative reaction may be expected from game preserve operators and/or game licence holders if their wishes (which may not be aligned) are not met. If an arrangement that all agree with can be implemented, this risk would be removed.

56. If public consultation is undertaken to explore any option for the continuation of commercial upland game preserves, there may be a risk of uncovering public opposition to activities carried out on game preserves, and/or to game bird hunting generally.

Consultation - Korero whakawhiti

- 57. DOC has not consulted the NZ Fish and Game Council or other parties in the preparation of this advice.
- 58. Regardless of which option(s) you consider may be worth adopting or investigating further, we recommend that you consult with the New Zealand Fish and Game Council (which has a statutory function to advise you on such matters) before forming a view on the most appropriate way forward for this issue.

Financial implications - Te Taha Pūtea

- 59. The matters considered in this paper have no financial implications for DOC or for Fish and Game Councils.
- 60. However, any decision that does not enable commercial upland game preserves to continue operating (including any decision to continue with the status quo) would be expected to have financial implications for commercial upland game preserve businesses and their employees.

Legislative implications – Te Taha Ture

- 61. If the status quo (Option 1 closure of all commercial game preserves) is adopted, then no actions are required as the Wildlife Order 2019 enabling the current temporary regime expires at the close of 6 May 2022.
- 62. For Options 2 or 3, an Order in Council would be required to implement either option.
- 63. In the longer term, amendment to the Wildlife Act may be considered appropriate if the ongoing (beyond the next two years) operation of commercial upland game preserves is desired and Option 3 cannot provide the regime desired. However, if legislative change was to be proposed, we could expect a wide range of other issues—including matters unrelated to recreational game hunting—to be brought into any review of the Act.

Next steps – Nga Tāwhaitanga

- 64. We anticipate that the next steps will be for you to:
 - Meet with the NZ Game and Conservation Alliance to learn more of their views.
 - b. Decide which matters you wish to seek advice about from of the NZ Fish and Game Council (even if it is only about option 1).
 - c. Advise DOC how you wish to reply to the NZ Game and Conservation Alliance in the interim.
 - d. Consider the advice when it is received from the NZ Fish and Game Council.
 - e. Decide which option(s) you wish to implement or have considered further in regard to the operation of commercial upland game preserves.
 - f. Advise DOC, NZ Fish and Game Council, and NZ Game and Conservation Alliance of your decision.
- 65. We await your advice following your meeting with the NZ Game and Conservation Alliance.

Attachments – Nga Tāpiritanga

 Copy of 10 February 2020 letter from Wendell Phillips, Chair, NZ Game and Conservation Alliance.

ENDS

National Finance Report to 31 October 2020

New Zealand Fish and Game Council Meeting 20-22 November 2020

Prepared by: Carmel Veitch, Finance, NZ Fish and Game Council

Purpose

The purpose of this paper is to update the New Zealand Council on the YTD expenditure by each Council against budget as at 31 October 2020.

Background

The New Zealand Council approved the 2020/21 Budgets/Levies and Grants on the 27th July 2020. These Budgets also included each Council making at least a 10% loss for the year. Refer Table 1 for the Approved Budget/Levy/Grants and Budgeted Deficits for each Council for the 2020/21 year

TABLE 1: Levy/Grant and Surplus Based on Region Responses					
	Net Total Licence	Approved	Less use of Reserves	Levy/	Forecast
Region	Income	Budget	10%	(Grant)	Surplus/(Deficit)
Northland	\$152,238	\$508,200	53,495	(\$302,470)	(\$53,493)
Auckland\Waikato	\$811,735	\$795,379	81,619	\$117,976	(\$101,619)
Eastern	\$1,131,483	\$1,071,572	112,797	\$172,709	(\$112,798)
Hawkes Bay	\$359,956	\$368,127	38,750	\$30,579	(\$38,750)
Taranaki	\$149,130	\$357,970	37,764	(\$171,861)	(\$36,979)
Wellington	\$544,418	\$762,502	80,263	(\$137,820)	(\$80,264)
Nelson-Marlb	\$383,149	\$444,491	45,352	(\$2,343)	(\$58,999)
Nth Canterbury	\$1,264,526	\$775,672	80,776	\$569,630	(\$80,776)
West Coast	\$194,753	\$346,448	35,889	(\$110,306)	(\$41,389)
Central SI	\$1,259,743	\$673,164	69,544	\$668,622	(\$82,043)
Otago	\$1,572,186	\$961,612	101,222	\$711,804	(\$101,229)
Southland	\$1,072,580	\$643,699	67,758	\$496,639	(\$67,758)
NZC inc Research & RMA	\$0	\$2,525,557	240,379	(\$2,043,159)	(\$482,398)
TOTAL	\$8,895,898	\$10,234,393	\$1,045,607	(\$0)	(\$1,338,495)

Analysis

With 2 months of the year completed (17%), The total YTD expenditure across all Councils is 13%. (refer Table 2) Councils fall within 9% to 19% of spending to Budget. As we are only within the first 2 months, one major expense can impact on the figures. In general Councils are operating within their Approved Budget YTD.

Table 2: Nation	nal Fish 8	Game I	inancial	Repo	ort	
As at 31 Ocotber 2020 Year to Date Expenditure against Total Approved Budget						Budget
						General
					% of	Reserve (Inc
		Total	Net		Reserv	Dedicated
		Budget (inc	Expenditure		es to	reserves)
	Accounting	from	to 31 Oct		Budget	over 30%
Council	Basis	Reserves)	2020	YTD %	31/8/20	31/8/20
Northland	Accrual - Xero	508,203	83,175	16%	71%	191,701
Auckland/Waikato	Accrual - Xero	795,379	84,697	11%	43%	69,435
Eastern	Accrual - Xero	1,071,572	172,886	16%	48%	163,979
Hawkes' Bay	Accrual - Xero	368,127	33,680	9%	140%	394,805
Taranaki	Accrual - Xero	357,970	62,803	18%	32%	(3,597)
Wellington	Accrual - Xero	762,502	90,240	12%	64%	234,502
Nelson/Marlborough	Accrual - Xero	444,491	39,234	9%	33%	(3,388)
North Canterbury	Accrual - Xero	775,672	88,345	11%	20%	(172,938)
West Coast	Accrual - Xero	346,448	56,877	16%	61%	95,738
Central South Island	Accrual - Xero	673,134	114,305	17%	95%	411,876
Otago	Accrual - Xero	961,604	178,623	19%	93%	577,475
Southland	Accrual	643,699	68,898	11%	105%	462,425
NZ Council (inc						
National & Research)	Accrual - Xero	2,525,557	244,916	10%	41%	192,157
Total Overall to Expend	iture to Date	10,234,358	1,318,679	13%		2,614,170
2 months of the year co	mpleted, whic	h represents	17%	of the	vear	

Financial Implications

4 At present there are no concerns as to the spending of Councils Budgets.

Legislative Implications

5 n/a

Section 4 Treaty Obligations

6 n/a.

Policy Implications

7 n/a.

Consultation

8 n/a.

Recommendations

1	The New Zealand Council Accept the National Financial report as at 31
	October 2020.

Organisational Reserves Update as at 31 October 2020

New Zealand Fish and Game Council Meeting 20-22 November 2020

Prepared by: Carmel Veitch, Finance, NZ Fish and Game Council

Purpose

The purpose of this paper is to update the New Zealand Council on the reserves held by each Council as at 31 August 2020 and to determine any top up of reserves required.

Background

- 2 Each Council holds Reserves, which have been built up over a number of years and from various sources.
 - In each Councils Annual report there are 3 types of Reserves that are presented in the Equity section of the Statement of Financial Position (Balance Sheet). These are:
 - 2.1 Accumulated Funds- net surpluses and or deficits from previous years
 - 2.2 Dedicated Reserves these are reserves that an individual Council has set aside for a special purpose. Examples of these reserves are Asset, replacement, and Non-resident reserves.
 - 2.3 Restricted Reserves these are reserves that an external party has placed a 'restriction" on the use of the funds. In the case of the NZC these include Research and RMA/Legal Funds as the NZC has committed these funds to another Council.
- At the end of each year a calculation is made of the "Reserves" of each Council. There are many factors that need to be considered to determine this reserve level. The term "Reserves" does not correctly reflect the intention of this calculation. In reality we are calculating the Councils future ability to maintain liquidity in times where licence sales may not reach target or there is an unexpected cost on the Council. Perhaps a more relevant word to use for this would be "Funds Available for Use" rather than "Reserves".
- 4 Note that all of these figures (with the exception of NZC) **are draft only** as at the time of accumulating this information all other Councils did not have Audited Accounts.
- At the time when The New Zealand Council were determining Budgets for the 2020/21 financial year, Council's were also approved to use 10% of

- their Reserves in the 2020/21 year. This resulted in a Forecast deficit for all of Fish and Game for the 2020/21 financial year of \$1.338m.
- It was recognised that some Councils did not have the 'Reserves' to cope with this deficit from Reserves. Hence the NZC approved that a Council, would be "topped up" to ensure that its reserves were maintained at 20% of the Approved budget.
- 7 The following formula has been used to calculate the Reserves (Funds available for Use) for the year ended 31 August 2020:

Working Capital
Less Restricted Reserves
Less Approved Loss for the Year

Note: this means that **Dedicated Reserves** are treated as funds that the Council has access to in times of emergency, and or the Council can give approval to use.

Analysis

- Table 1. Reserves Position As at 31 August 2020- Draft. This table shows the Forecast Reserves for 31/8/20, totally \$4.395m. This to compares to the Draft unaudited reserves calculated as at 31/8/20 of \$6.086m. This favourable movement was due to the fact the Fish and Game did have a Game season and that Fishing continued (note the forecasts were undertaken during Covid lockdown and at the time we did not know how long we would be in lock down, and assumed a worst case scenario of no game season and no further fish licence sales)
- 9 In total the % of Reserves to Budget for All of Fish and Game is 59%. With North Canterbury holding the lowest % at (11% before top up and 20% after top up) and Hawkes bay the highest at 140%.
- Table 2 Forecasts the Reserves position as at 31 August 2021 and the top up required for Councils to maintain 20% of budget.

TABLE 1: Reserves Position - As at 31 August 2020 - DRAFT								
Region	Forecast Reserves 31/8/20	Actual Reserves 31/8/20 (unaudited)	Approved Budget 2020/21	Reserves required 20% of Budget	Top up required 20% Reserves	% of Budget after top up	% of Licence Income Levy Regions	
Northland	\$300,894	\$360,209	\$508,200	101,640	0	71%		
Auckland\Waikato	\$210,911	\$338,535	\$795,379	159,076	0	43%	42%	
Eastern	\$303,064	\$519,290	\$1,071,572	214,314	0	48%	46%	
Hawkes Bay	\$404,883	\$516,868	\$368,127	73,625	0	140%	144%	
Taranaki	\$81,795	\$114,888	\$357,970	71,594	0	32%		
Wellington	\$347,332	\$487,332	\$762,502	152,500	0	64%		
Nelson-Marlb	\$199,045	\$147,659	\$444,491	88,898	0	33%		
Nth Canterbury	\$157,553	\$83,996	\$775,672	155,134	71,138	20%	7%	
West Coast	\$165,851	\$212,089	\$346,448	69,290	0	61%		
Central SI	\$249,790	\$638,438	\$673,164	134,633	0	95%	51%	
Otago	\$432,665	\$896,328	\$961,612	192,322	0	93%	57%	
Southland	\$389,936	\$675,862	\$643,699	128,740	0	105%	63%	
NZC inc Research & RMA	\$1,151,976	\$1,094,543	\$2,525,557	505,111	(71,138)	41%		
TOTAL	\$4,395,693	\$6,086,037	\$10,234,393	\$2,046,879	\$0	59%		

TABLE 2: Forecast Reserves Position for year end 31 August 2021 Actual Adjustment							
Region	Reserves 31/8/20 (unaudited)	for top of reserves from 19/20	Forecast Deficit for year ended 31/8/21		Reserves required 20% of Budget	Top up achieve 20% Reserves	% of Budget
Northland	\$360,209	\$0	(\$53,492)	\$306,717	101,640	0	60%
Auckland\Waikato	\$338,535	\$0	(\$101,620)	\$236,915	159,076	0	30%
Eastern	\$519,290	\$0	(\$112,798)	\$406,492	214,314	0	38%
Hawkes Bay	\$516,868	\$0	(\$38,750)	\$478,118	73,625	0	130%
Taranaki	\$114,888	\$0	(\$36,979)	\$77,909	71,594	0	22%
Wellington	\$487,332	\$0	(\$80,264)	\$407,068	152,500	0	53%
Nelson-Marlb	\$147,659	\$0	(\$58,999)	\$88,660	88,898	238	20%
Nth Canterbury	\$83,996	\$71,138	(\$80,776)	\$3,220	155,134	151,914	20%
West Coast	\$212,089	\$0	(\$41,389)	\$170,700	69,290	0	49%
Central SI	\$638,438	\$0	(\$82,043)	\$556,395	134,633	0	83%
Otago	\$896,328	\$0	(\$101,230)	\$795,098	192,322	0	83%
Southland	\$675,862	\$0	(\$67,758)	\$608,104	128,740	0	94%
NZC inc Research & RMA	\$1,094,543	(\$71,138)	(\$482,398)	\$612,145	505,111	(152,153)	18%
TOTAL	\$6,086,037	\$0	(\$1,338,496)	\$4,747,541	\$2,046,879	(\$0)	46%

Financial Implications

- The Table 1 identifies one Council North Canterbury Fish and Game Council as requiring a top up of Reserves of \$71,138. Note this figure is not finalised as the Audit of North Canterbury Fish and Game Council is not yet complete. Also, other Councils Audited accounts may portray a different reserves figure.
- Based on the forecast in Table 2, two Councils will require a top up to maintain 20% of Budget Nelson Marlborough and North Canterbury in the forecast for 2020/21.
- 13 If this top up occurs solely from the NZC reserves (in 2020/21) then the NZC Reserves will fall below the 20% range to 18%.

Legislative Implications

14 n/a

Section 4 Treaty Obligations

15 n/a.

Policy Implications

The forecast Reserves position for 31/8/21 will be impacted on the Reserves Policy currently being developed/consulted on by the NZC.

Consultation

17 n/a.

Recommendations

- 1 The New Zealand Council Accept the Draft Organisational Reserves update as at 31 August 2020.
- The New Zealand Council consider the implications of the Councils that required a top-up of reserves.
- Note that North Canterbury's Accounts are still in Draft form and hence the amount of top up required cannot be finalised until North Canterbury have presented their final audited Statements. Likewise changes to other Councils audited accounts could impact the top up required to other Councils.
- 4 Agree that this decision (to top up Councils Reserves) can be conducted by email once accounts are finalised.



CONSOLIDATED FINANCIAL STATEMENTS OF THE

NEW ZEALAND FISH AND GAME COUNCIL

FOR THE YEAR ENDED 31 AUGUST 2020

16 November 2020

Hon Kiri Allan Minister of Conservation Parliament Buildings WELLINGTON 6160

Dear Minister

I have the honour to submit, pursuant to Section 26I of the Conservation Act 1987, Section 45M of the Public Finance Amendment Act 2004, and Section 154 of the Crown Entities Act 2004, the Performance Report of the New Zealand Fish and Game Council, for the period ended 31 August 2020.

Yours faithfully

Paul Shortis

Paul Shortis

Chairperson

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ENTITY INFORMATION

Council

Noel Birchall	Northland Fish and Game Council
Nigel Juby	Auckland/Waikato Fish and Game Council
Lindsay Lyons - Chairperson until April 2020	Eastern Fish and Game Council
Kevin Williams (Concluded November 2019) Greg Duley (Commenced November 2019)	Hawke's Bay Fish and Game Council
Paul Blewman	Taranaki Fish and Game Council
Paul Shortis - Chairperson from April 2020	Wellington Fish and Game Council
Bill O'Leary	Nelson/Marlborough Fish and Game Council
Roy Knight	North Canterbury Fish and Game Council
Andy Harris	West Coast Fish and Game Council
Daniel Isbister	Central South Island Fish and Game Council
Colin Weatherall (Concluded March 2020)	Otago Fish and Game Council
Rainsford Grubb (Commenced April 2020)	
Chris Owen (Concluded February 2020) Dave Harris (Commenced February 2020)	Southland Fish and Game Council

Staff

Martin Taylor	Chief Executive
Debbie Mair (From 10 February 2020)	Policy Advisor
Jack Kós	Policy Advisor
Steve Doughty	Business Development Manager
Richard Cosgrove	Senior Communications Advisor
Brian Anderton	Senior Communications Advisor
Carmel Veitch (From 1 June 2020)	Finance Manager
Jordyn Mclean (Finished 17 January 2020)	Office Administrator
Yi Yang (From 9 October 2019 to 3 April 2020)	Administration Assistant (part time)

Council Office

Address: Level 2, Dominion Building, 78 Victoria Street, Wellington, 6011

Postal Address: P O Box 25-055, Wellington, 6140

Tel: (04) 499 4767

Email: NZCouncil@fishandgame.org.nz

Website: www.fishandgame.org.nz

VISION

Fish and Game Determines the terrain for Anglers and Hunters.

PURPOSE

To represent nationally the interests of anglers and hunters and co-ordinate the management, enhancement and maintenance of sports Fish and Game birds as a recreational resource.

CHAIRPERSON'S REPORT

For the year ended 31 August 2020

The New Zealand Fish and Game Council (NZ Council), established under the Conservation Act 1987, is comprised of one appointee from each of the twelve regional councils. Under the Act its functions are set out in Section 26C which are broadly, in consultation with the regional councils, to develop national policies, advise the Minister of Conservation, oversee the electoral system and coordinate the national interests of the organisation including the distribution of licence fee income (virtually the only source of income for Fish and Game). The 12 regional councils operate autonomously once annual budgets have been set through a collaborative process that is coordinated by NZ Council.

I am the seventh chairperson of NZ Council. I was elected to the position on Friday 24th April 2020. The 2019/20 financial year represents the second and middle year of this NZ Council in a triennial election process. The NZ Council's financial year starts on 1 September and ceases on 31 August.

The year has been a challenging one due to both internal and external forces. This report will cover the main issues encountered during the year, not necessarily in a chronological order but rather in cascading order of importance.

Ministerial Review

At the commencement of the financial year the Minister announced a Ministerial Review of the organisation. Fish and Game has existed as an entity since 1990. While there was initially some concern internally, the organisation recognises that a "health check" is overdue. The Review Panel were appointed in June and have been meeting with a wide range of internal and external stakeholders and have a programme to visit all 12 regional councils. The Review is scheduled to deliver its recommendations to the Minister by the end of the calendar year.

Covid 19

Fish and Game is funded almost entirely from the sale of fishing and hunting licences. In the 2018/19 year this amounted to nearly eleven million dollars. Overseas anglers account for approximately \$1.5m of the total and, with the borders likely to be closed for the next year at least, the drop in income is significant for Fish and Game. While both NZ Council and most regional councils hold reserves it became obvious, as the crisis deepened, that we needed to take an organisation wide approach.

Firstly, NZ Council requested all councils to exercise fiscal restraint for the balance of the financial year. Secondly, at the time the pandemic struck we were embarking on the

budgeting process for the 20/21 financial year. The NZ Council developed a number of financial scenarios to model the likely impact of Covid 19. As a result of the modelling the budget setting process for the organisation was well informed and, utilising a combination of cost saving and use of reserves, budgets for the forthcoming year were agreed for both NZ Council and all regional councils.

At this point I would like to acknowledge the huge amount of work that was undertaken by NZ Council's Standing Finance Committee, the NZ Council staff and the regions. The annual budget setting process is a naturally challenging process in normal times. This year Covid 19 added a whole new level of complexity and the organisation came together in a spirit of cooperation. The challenge going forward will be to deliver on our statutory responsibilities whilst maintaining capacity and capability.

Advocacy and Public Awareness

In January the NZ Council continued to survey the public on their attitudes to water pollution and the state of our rivers and lakes. The survey asked people how concerned they were about a range of issues, including the cost of living, health system, child poverty and water pollution. Three quarters of those surveyed said they were extremely or very concerned about the pollution of lakes and rivers. Only five per cent said they were not that concerned. The only issue people were more worried about was the cost of living. In 2017, 2018 and 2019, we asked this same question. The concern for water quality has remained in the top two concerns for Kiwis each year that we have conducted this survey. We continue to deliver key messages on water quality.

It has been a very busy year for our advocacy role with many major government reforms needing our support and attention. Anglers and hunter interests have been well represented by the NZC with submissions and representations to the Government on gun control, the National Policy Statement – Fresh Water, the New Zealand Biodiversity Strategy, the National Policy Statement – Indigenous Biodiversity and on a number of new pieces of legislation that have the potential to affect licence holders. Covid 19 and the impact on the Game Season also resulted in a lot of advocacy work by the NZC and we were successful in ensuring a season took place.

Gamebird Habitat Trust

The Gamebird Habitat Trust continued its work over the year funded by the Habitat Stamp Programme. This year the stamp featured a female Paradise Shelduck/Pūtangitangi (*Tadorna veriegata*).

The Board's primary focus is applying the net receipts from the Habitat Stamp programme as grants to applicants for the protection, restoration, improvement, creation, or procurement of game bird or other wildlife habitat. Over the year the Board funded 19 projects and invested \$134,000 in support of habitat creation.

The Council

This has been a particularly demanding year for the NZ Council in terms of dealing with significant external and internal issues. Despite that, we have managed a huge programme of work. Councillors have adapted to the Zoom format of meetings and given up more than a few evenings to work through the challenges of governance in rapidly changing and often complex times. I am grateful for the dedication and support of the NZ Council through a very difficult period in Fish and Game's history. While there remain many challenges, I am confident we have the quality of thought and experience to serve Fish and Game into the future.

National Office

If the year has been demanding for the Council, it has been equally so for our CEO and the staff of the NZ Council office. Last Christmas our longstanding Policy and Planning Manager retired followed by the Administration Manager moving on to her preferred career in accountancy. Given budget restraints we did not replace the Administration Manager, so the team have been covering the administration function as well as their own role.

As always, I am particularly impressed by the way in which this small team go the extra mile on many occasions. For example, as previously mentioned we have had a number of Zoom meeting which have often extended well into the evening, yet our staff always attend and contribute.

Paul Shortis Chairperson

Punt Anoshi

NEW ZEALAND FISH AND GAME COUNCIL STATEMENT OF RESPONSIBILITY

for the year ended 31 August 2020

16 November 2020

The Council and management of the New Zealand Fish and Game Council accept responsibility for the accuracy of any judgements used in the preparation of the following financial statements.

We are responsible for the end of year performance information provided by New Zealand Fish and Game Council under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurances as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statements of performance fairly reflect the financial position and operations of the New Zealand Fish and Game Council for the year ended 31 August 2020.

Signed on behalf of the Council

Paul Shortis

Chairperson

New Zealand Fish and Game Council

Martin Taylor

Chief Executive

New Zealand Fish and Game Council

Tate Taylor

NEW ZEALAND FISH AND GAME COUNCIL CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	Note	Actual 2020	Budget 2020	Actual 2019
		Group \$	Group \$	Group \$
REVENUE FROM NON-EXCHANG	GE TRANS	ACTIONS		
Levies		3,866,123	3,866,123	3,757,526
Other Revenue		3,051	1. Sec. 1881 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882 - 1882	317
		3,869,174	3,866,123	3,757,843
REVENUE FROM EXCHANGE TR	ANSACTI	ONS		
Interest		31,186	19,868	39,143
Magazine Contributions		178,068	70,000	108,398
Regulations Revenue		29,014	30,500	22,038
Sundry Income		35,151	6,000	12,522
		273,419	126,368	182,101
Total Revenue		4,142,593	3,992,491	3,939,944
EXPENSES				
Species Management	2	121,920	96,000	99,396
Habitat Protection & Management	2	180,485	450,000	436,766
Angler & Hunter Participation	2	221,551	199,500	234,020
Public Awareness	2	118,749	132,140	143,705
Compliance	2	16,404	27,500	19,917
Licensing	2	707,518	683,500	688,136
Council	2	94,397	130,000	127,113
Co-ordination and Reporting	2	147,940	217,500	368,342
Research		51,424	134,000	90,477
Distribution to Regional Budgets		956,992	891,308	830,877
Personnel Costs	3	821,977	888,990	689,976
Depreciation	9	13,166	12,230	11,739
Other Expenses	4	256,319	128,796	140,380
Total Expenditure		3,708,842	3,991,464	3,880,844
Net Surplus/(deficit)		433,751	1,027	59,100
Total comprehensive revenue and ex	pense	433,751	1,027	59,100



NEW ZEALAND FISH AND GAME COUNCIL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 August 2020

	Note	2020	2019
		Group \$	Group \$
ASSETS			
Current Assets			
Cash & Cash Equivalents	5	1,179,334	1,330,588
Receivables - Exchange	6	29,543	66,174
Receivables - Non Exchange	6	138,579	167,200
Other Financial Assets	7	1,361,704	833,782
Prepayments			77,164
Accrued Income		97,500	61,843
Total Current Assets		2,806,660	2,536,751
Non-Current Assets			
Funds Advanced to NCFGC	8	1.T.	-
Term Deposits		170,000	
Property, Plant & Equipment	9	50,395	39,529
Total Non-Current Assets		220,395	39,529
TOTAL ASSETS		3,027,055	2,576,280
LIABILITIES			
Current Liabilities			
Payables	10	500,994	523,165
Employee Entitlements	11	66,623	57,408
NZ Game Bird Habitat Trust	12	133,337	103,357
Total Current Liabilities	0.4545	700,954	683,930
TOTAL LIABILITES		700,954	683,930
NET ASSETS		2,326,102	1,892,351
Accumulated Funds	13	1,539,316	1,442,295
Dedicted Reserves	13	24,139	29,085
Restricted Reserves	13	762,647	420,971
EQUITY		2,326,102	1,892,351



NEW ZEALAND FISH AND GAME COUNCIL CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	2020	2019
		\$	\$
Equity			
Balance as at 1 September		1,892,351	1,833,251
Comprehensive Revenue and expense for the year			
Net Surplus		433,751	59,100
Total comprehensive revenue and expense for the year		433,751	59,100
Balance as at 31 August	13	2,326,102	1,892,351



NEW ZEALAND FISH AND GAME COUNCIL CONSOLIDATED CASH FLOWS STATEMENT

Cash was received from: Levies 3,866,123 3,686,788 Other revenue 269,984 131,88 Interest received 36,080 36,100 GST (Net) 14,600 - Cash was applied to: Payments to suppliers 2,656,175 3,174,95 Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,340 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 Net Cash Flows from Financing Activities (147,025) Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:		Note	2020	2019
Cash was received from: Levies			\$	\$
Cash was received from: Levies				
Levies 3,866,123 3,686,78	CASH FLOWS FROM OPERATING ACTIVITIES			
Other revenue 269,984 131,88 Interest received 36,080 36,100 GST (Net) 14,600 - Cash was applied to: - - Payments to suppliers 2,656,175 3,174,95 Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES - 115,13 Cash was received from: - 115,13 Cash was applied to: - 115,13 Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,340 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan - - Cash was applied to: - - Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Cash Flows from Financing Activities (151,254) 94,48 Opening Cash 1,179,334 1,330,58	Cash was received from:			
Interest received 36,080 36,10 GST (Net) 14,600 - Cash was applied to: Payments to suppliers 2,656,175 3,174,95 Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments - 115,13 Cash was applied to: Net amount paid to investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,344 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Levies		3,866,123	3,686,789
GST (Net) 14,600 - Cash was applied to: Payments to suppliers 2,656,175 3,174,95 Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments - 115,13 Cash was applied to: Net amount paid to investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,344 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Other revenue		269,984	131,882
Cash was applied to: 2,656,175 3,174,95 Payments to suppliers 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments - 115,13 Cash was applied to: Net amount paid to investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,34 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Interest received		36,080	36,103
Payments to suppliers 2,656,175 3,174,95 Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments - 115,13 Cash was applied to: Net amount paid to investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,34 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan - - Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58	GST (Net)		14,600	-
Payments to employees 812,762 691,33 GST (Net) - 6,34 Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments - 115,13 Cash was applied to: Net amount paid to investments 697,922 - Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,340 CASHFLOW FROM FINANCING ACTIVITIES Cash was applied to: Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,480 Opening Cash 1,330,588 1,236,090 Closing Cash 1,179,334 1,330,580 This is represented by:	Cash was applied to:			
GST (Net) Net Cash Flows from Operating Activities 717,850 (17,851 CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments Cash was applied to: Net amount paid to investments Purchase of property, plant and equipment Net Cash Flows from Investing Activities CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash 1,330,588 1,236,09 Closing Cash This is represented by:	Payments to suppliers		2,656,175	3,174,954
Net Cash Flows from Operating Activities CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments Cash was applied to: Net amount paid to investments Purchase of property, plant and equipment Activities CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash 1,330,588 1,236,09 Closing Cash This is represented by:	Payments to employees		812,762	691,331
CASHFLOW FROM INVESTING ACTIVITIES Cash was received from: Net amount received from investments Cash was applied to: Net amount paid to investments Purchase of property, plant and equipment Purchase of property, plant and equipment CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash 1,330,588 1,236,09 Closing Cash This is represented by:	GST (Net)		-	6,340
Cash was received from investments Cash was applied to: Net amount paid to investments Purchase of property, plant and equipment Purchase of property, plant and equipment Cash Flows from Investing Activities CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Cash Flows from Financing Activities (151,254) 94,48 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Net Cash Flows from Operating Activities		717,850	(17,851)
Net amount paid to investments Purchase of property, plant and equipment 24,157 Net Cash Flows from Investing Activities CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash Closing Cash 1,330,588 1,236,09 Closing Cash This is represented by:	Cash was received from: Net amount received from investments			115,136
Purchase of property, plant and equipment 24,157 2,79 Net Cash Flows from Investing Activities (722,079) 112,349 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan	Cash was applied to:			
Net Cash Flows from Investing Activities (722,079) 112,340 CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,480 Opening Cash 1,330,588 1,236,090 Closing Cash 1,179,334 1,330,588 This is represented by:	Net amount paid to investments		697,922	
CASHFLOW FROM FINANCING ACTIVITIES Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash Closing Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58				2,796
Cash was received from: Repayment of Loan Cash was applied to: Long term Loan to NCFGC 147,025 Net Cash Flows from Financing Activities (147,025) Net Increase / (Decrease) in Cash Opening Cash Closing Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,588 This is represented by:	Net Cash Flows from Investing Activities		(722,079)	112,340
Cash was applied to: Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,489 Opening Cash 1,330,588 1,236,099 Closing Cash 1,179,334 1,330,588 This is represented by:	CASHFLOW FROM FINANCING ACTIVITIES Cash was received from:			
Long term Loan to NCFGC 147,025 - Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,489 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Repayment of Loan		1=1	; = 0;
Net Cash Flows from Financing Activities (147,025) - Net Increase / (Decrease) in Cash (151,254) 94,480 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,588 This is represented by: 1,179,334 1,330,580	Cash was applied to:			
Net Increase / (Decrease) in Cash (151,254) 94,480 Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Long term Loan to NCFGC		147,025	-
Opening Cash 1,330,588 1,236,09 Closing Cash 1,179,334 1,330,58 This is represented by:	Net Cash Flows from Financing Activities		(147,025)	1=
Closing Cash 1,179,334 1,330,58 This is represented by:	Net Increase / (Decrease) in Cash		(151,254)	94,489
Closing Cash 1,179,334 1,330,58 This is represented by:	Opening Cash			1,236,099
NO 27 TY TO THE TO THE TO THE TO THE TOTAL THE	Closing Cash		SA SANTAN PROPERTY	1,330,588
Cash & cash equivalents 5 1,179,334 1,330,58	This is represented by:			
	Cash & cash equivalents	5	1,179,334	1,330,588



For the year ended 31 August 2020

Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

New Zealand Fish and Game Council Group is a Public Entity under the Public Finance Act 1989 (Schedule 4). The Council was established on 4 May 1991 with the passing of the Conservation Law Reform Act 1990. These financial statements have been prepared in accordance with Section 153-6 of the Crown Entities Act 2004. The Council has a wholly owned subsidiary, Fish and Game Publishing Limited, with the same balance date, which holds the Fish and Game magazine intellectual property. This entity has been consolidated in these financial Statements.

New Zealand Fish and Game Council Group is a Public Benefit Entity (PBE) for financial reporting purposes. These statements were authorised to issue on the 16th November 2020 by the Council. No other party has the power to amend these financial statements.

BASIS OF PREPARATION

The consolidated financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements have been recognised on a historical cost basis.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). For the purposes of complying with the NZ GAAP, the Council is a public benefit entity.

The consolidated financial statements have been prepared in accordance with Tier 2 Public Benefit International Public Sector Accounting Standard – RDR (reduced disclosure) as annual expenditure is between \$2,000,000 and \$30,000,000.

Changes in Accounting Policy

There have been no changes in accounting policy in the accounts for 2020.

Presentation of Currency

The financial statements are presented in New Zealand dollars, and are rounded to the nearest whole dollar.



For the year ended 31 August 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Accounting Policy

The Group financial statements are prepared by combining the financial statements of all the entities that comprise the Group, on a line by line basis. In preparing the Group financial statements, all inter-entity balances and transactions are eliminated in full.

Revenue Recognition

New Zealand Fish and Game Council Group derives revenue from Fish and Game Council levies, interest on interest bearing deposits and miscellaneous income. Any amounts collected as an agent or on behalf of the other third parties (for example the Game Bird Habitat Stamp Levy) is not considered economic benefit and therefore is not revenue.

Revenue from Non-exchange Transactions

Levies

New Zealand Fish and Game Council is primarily funded from the levies payable by Fish and Game Councils, in accordance with 26C(f) of the Conservation Act 1987. These levies are used for the administration of the New Zealand Fish and Game Council; and for redistribution between Fish and Game Councils; and advocacy and research. Levies are recognised when the invoice is issued.

Revenue from Exchange Transactions

Interest Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Magazine Contribution

Income generated from the advertising within the Fish and Game magazine is recognised in the period that the magazine is distributed.

RMA Legal Revenue

RMA Legal revenue is recognised when the invoice is issued following awarding costs.

Operating Leases

Leases that do not transfer substantially all risks and rewards incidental to ownership of an asset to the Council are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the Statement of Comprehensive Revenue and Expense.

Distribution to Fish and Game Councils

The New Zealand Fish and Game Council makes distributions to Fish and Game Councils in the form of Grants to support regions; and reimbursement for RMA/legal funding; and Research projects.



For the year ended 31 August 2020

FINANCIAL ASSETS

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with the bank, and other short term highly liquid investments with original maturities of three months or less which are subject to an insignificant risk of changes in value.

Receivables

Short term receivables are recorded at their face value, less any provision for impairment. A receivable is considered impaired when there is evidence that the Council will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Other Financial Assets

Short term deposits have maturities between three months and one year. Investments in deposits are measured at amortised cost using effective interest method. At reporting date, the Council assesses whether there is any objective evidence that an investment is impaired. Any impairment loss is recorded as an expense in the Statement of Comprehensive Revenue and expense.

FINANCIAL LIABILITIES

Pavables

Payables represent liabilities for goods and services provided to the Council prior to the end of the financial year which is unpaid. Payables are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the period in which the employee renders the related service, such as long service leave and retirement gratuities. The calculations are based on:

- Likely future entitlements accruing to staff, based in years of service, years of
 entitlement, and likelihood of that staff will reach the point of entitlement, and the
 contractual entitlement in formation; and
- The present value of the estimated cash flows.



For the year ended 31 August 2020

Property, plant and equipment

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Significant donated assets are recognised upon receipt at valuation. Significant donated assets for which current values are not readily obtainable are not recognised.

Depreciation is charged on all property, plant and equipment, so as to spread the cost of the asset over its useful life.

Property, plant and equipment with a cost over the \$1,000 are capitalised.

Superannuation Schemes

Defined Superannuation Schemes

Obligations for the contribution to KiwiSaver are accounted for as defined contribution superannuation schemes and recognised as an expense in the surplus or deficit as incurred.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Accumulated Funds surplus/(deficit)
- Dedicated Reserves and Restricted Reserves

Dedicated and restricted reserves are those reserves subject to specified conditions accepted as binding by the Council; and which may not be revised by the Council without reference to specific purposes or when certain specific conditions are met.

Asset Replacement Reserve

The asset replacement reserve is a reserve set up to enable the Council to replace plant & equipment.

Election Reserves

A reserve set up to enable the Council to budget yearly for elections which are required by law to be held every 3 years. Exact election costs are variable dependent on the number of candidate nominations received for each council, with an election held in regions which have greater than 12 candidates. In the 2020 year this cost has been accrued into the balance sheet.

Research Reserve

A reserve has been maintained to undertake research projects approved & committed by the Council.

Legal Fund Reserve

A reserve set up to undertake legal cases approved & committed by the NZ Council.



For the year ended 31 August 2020

Goods and Services Tax

Revenue, expenses and assets are recognised net of GST, with the exception of receivables and payables which are stated GST inclusive.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The Statement of Cash Flows is presented on a gross basis, and any GST component in the investing or financing activities are incorporated into the operating cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

New Zealand Fish and Game Council is a public authority and consequently is exempt from the payment of income tax. No income tax provision has been made.

Budget

The budget figures are derived from the Council budget that was approved at the November 2019 Council meeting.

New Zealand Game Bird Habitat Stamp Fee

New Zealand Fish and Game collects from each Fish and Game Council the Game Bird Habitat stamp fee on behalf of the New Zealand Game Bird Habitat Trust. The fee is (\$4) from the sale of every Game Bird licence sold for the most recently completed financial year. This fee has no economic benefit to New Zealand Fish and Game Council and is not treated as revenue. Likewise, any outgoings on behalf of the New Zealand Game Bird Habitat Trust are not recognised as expenditure in the New Zealand Fish and Game Council Financial Statements. Refer Note 12.

Accounting for Estimates and Assumptions

In preparing these financial statements the Council has made estimates and assumptions concerning the future in regard to asset lives and impairment of assets. None of these estimates and assumptions are considered material to the Council.

Comparative Figures

Certain comparative figures have been reclassified for presentation purposes.



Note 2 : ANALYSIS OF EXPENSES	Actual 2020	Budget 2020	Actual 2019
	\$	\$	\$
Species Management			
Regulations	110,417	76,000	79,962
Sea Run Salmon Committee	11,503	20,000	19,434
Total	121,920	96,000	99,396
Habitat Protection & Management			
Resource Management	124,087	350,000	247,294
Advocacy	47,459	70,000	71,631
Water Conservation Orders	8,939	30,000	117,841
	180,485	450,000	436,766
Angler & Hunter Participation			
Access	20	2	31
National Magazine	221,551	199,500	224,836
General	(#.)		9,153
Total	221,551	199,500	234,020
Public Awareness			
Advocacy	6,874	7,500	6,697
Communication	58,517	40,640	34,792
Education	6,241	7,000	6,385
Public Promotions	47,117	77,000	95,831
Total	118,749	132,140	143,705
Compliance			
Ranger Co-ordination	16,394	27,500	19,417
Compliance	10	-	500
Total	16,404	27,500	19,917
Licensing			
Licence Production and Distribution	190,949	182,500	177,239
Licence Projects	27,914	50,000	59,939
Licence Audit	6,000	6,000	6,000
Licence Contract	482,655	445,000	444,958
Total	707,518	683,500	688,136



Note 2: ANALYSIS OF EXPENSES Continued	Actual	Budget	Actual
	2020	2020	2019
	\$	\$	\$
Council			
Council Meetings & Sub-Committees	70,239	108,000	100,906
Governance and Performance Review	24,158	22,000	26,207
Total	94,397	130,000	127,113
Co-ordination and Reporting			
Management/Strategic Planning	23,947	48,000	124,169
Annual Planning	54,908	85,500	54,708
Assurance Services	4,116	5,000	4,055
Elections	45,000	45,000	119,657
Financial Audit Fee	14,001	14,000	13,699
Regional Audits	2,500	10,000	40,788
Staff Scholarship	3,468	10,000	11,266
Total	147,940	217,500	368,342



Note 3 : PERSONNEL COSTS	Actual 2020	Budget 2020	Actual 2019
	\$	\$	S
Salaries and Wages	788,806	847,973	658,560
Recruitment and Welfare	11,668	13,910	14,136
KiwiSaver Contributions	20,619	25,307	16,238
ACC Levies	884	1,800	1,042
Total	821,977	888,990	689,976

Note 4: OTHER EXPENSES	Actual 2020 \$	Budget 2020 \$	Actual 2019 \$
			V
Communications	10,330	10,000	6,511
Loss On Sale of Disposal of Assets	126	-	-
Occupancy Expenses	70,193	74,560	99,402
Purchases Under \$2,000	6,056	12,332	10,818
Stationery, Postage and Couriers	7,945	11,904	9,751
Storage & Insurance of Art	2,544	2,500	6,254
Subscriptions	4,330	3,200	2,936
Vehicle Expenses	6,682	11,500	-
Doubtful Debt	147,025	9 2 1	-
Sundry Expenses	1,088	2,800	4,708
Total	256,319	128,796	140,380



For the year ended 31 August 2020

Note 5 : CASH & CASH EQUIVALENTS		
	2020	2019
	\$	\$
Cash at bank and on hand	1,179,334	995,813
Term Deposits with maturities less than 3 months		334,775
Total	1,179,334	1,330,588

The Council has a Credit Facility with ANZ of \$14,000. At reporting date \$14,000 was issued to card holders. The amount payable at reporting date is \$6,113 (2019 \$10,333)

Note 6: RECEIVABLES

	2020	2019	
	\$	(restated) \$	
Receivables (gross)	164,098	205,430	
Funds advanced to NCFGC		19,025	
Interest Receivable	4,024	8,919	
Total Receivables	168,122	233,374	
Total Receivables comprises:			
Receivables from exchange revenue	29,543	66,174	
Recoverables from non-exchange revenue	138,579	167,200	
Total	168,122	233,374	
Note 7: OTHER FINANCIAL ASSETS			
	2020	2019	
	\$	\$	
Current portion			
Term Deposits	1,361,704	833,782	
Total Other Financial Assets	1,361,704	833,782	

Note 8: FUNDS ADVANCED TO NCFGC

	2020 \$	2019	
		\$	
Funds advanced to NCFGC	147,025		
Less Provision for Doubtful Debt	(147,025)	(#5)	
Total Funds Advanced to NCFGC		-	



For the year ended 31 August 2020

Note 9: PROPERTY PLANT & EQUIPMENT

Movement for each class of property, plant and equipment as follows:

	Motor	Office	Furniture &	
	Vehicle	Equipment	Fittings	Total
Cost or Valuation				
Balance At 1 Sept 2018	37,594	65,659	7,815	111,068
Additions	-	2,796	1.7	2,796
Disposals	(2)	_	~	-
Balance At 31 Aug 2019	37,594	68,455	7,815	113,864
Balance At 1 Sept 2019	37,594	68,455	7,815	113,864
Additions	-	24,157	-	24,157
Disposals	-	(5,924)	(¥)	(5,924)
Balance At 31 Aug 2020	37,594	86,688	7,815	132,097
Accumulated Depreciation and Balance at 1 Sept 2018	d Impairment losses	53,735	6,041	(2.50)
Depreciation Expense		900 000 000 000 000 000 000 000 000 000		62.596
Depreciation Expense	3,/39	7,714	266	62,596 11,739
Eliminate on Disposal	3,759	7,714	266	62,596 11,739
	6,579	7,714	6,307	ernel Travana
Eliminate on Disposal	1#3		S#0	74,335
Eliminate on Disposal Balance At 31 Aug 2019	6,579	61,449	6,307	11,739
Eliminate on Disposal Balance At 31 Aug 2019 Balance at 1 Sept 2019	6,579 6,579	61,449	6,307 6,307	74,335 74,335

	Motor Vehicle	Office Equipment	Furniture & Fittings	Total
Carrying Amounts				
At 31 Aug and 1 Sept 2019	31,015	7,006	1,508	39,529
At 31 Aug 2020	27,256	21,858	1,281	50,395



Note 10: PAYABLES		
	2020	2019
	\$	\$
Payables under exchange transactions		
Creditors	304,937	317,493
Income In Advance	- E	12,690
Accrued Expenses	130,208	141,733
	435,145	471,916
GST payable	65,849	51,249
	65,849	51,249
Total	500,994	523,165
Note 11: EMPLOYEE ENTITLEMENTS		
	2020	2019
	\$	\$
Annual Leave	63,882	50,408
Accrued Wages	2,741	7,000
Total	66,623	57,408
Note 12: NZ GAME BIRD HABITAT TRUST		
	2020	2019
	\$	\$
Income		
Game Bird Habitat Stamps sold with licences	120,263	97,933
General sales	14,019	16,616
Total Income	134,282	114,549
Less Expenses		
Product Production	18,306	21,786
Meeting Costs		2,887
Programme Administration	-	
Total Expenses	18,306	24,673
Net payable to NZ Game Bird Habitat Trust Board	115,976	89,876
CCT Auglia I	17,361	13,481
GST Applied	17,301	13,701



2020	2019
Group \$	Group \$
1,442,295	913,203
433,751	59,100
(715,002)	(305,000)
378,272	774,992
1,539,316	1,442,295
29,085	29,085
	-
	-
24,139	29,085
-	70,000
	-
-	(70,000)
-	-
24,139	29,085
202,861	204,881
70,000	134,000
(71,924)	(136,020)
200,937	202,861
218,110	616,082
608,000	171,000
(264,400)	(568,972)
561,710	218,110
The state of the s	420,971
762,647	420,7/1
	Group \$ 1,442,295 433,751 (715,002) 378,272 1,539,316 29,085 37,002 (41,948) 24,139 24,139 202,861 70,000 (71,924) 200,937 218,110 608,000 (264,400)



For the year ended 31 August 2020

Note 14: COMMITMENTS	Actual 2020	Actual 2019 (restated)
	\$	s
Commitment to:		
Eyede Solutions Limited	650,000	444,600
Staff Development Fund	¥	10,000
Research Projects approved to Regions	200,937	202,861
RMA Legal funding to Regions	562,643	218,110
Total	1,413,580	875,571

The above contracts have been approved by the Council and will be recognised in the Statement of Comprehensive Revenue and Expense when the contract service conditions have been met by the third party or when a constructive obligation exists.

Operating Leases:		
Photocopier Rental		
Within 1 year	1,901	1,901
1-2 years	1,901	1,901
3-5 years	3,485	5,386
Total Photocopier	7,287	9,188
Premises Rental		
Within 1 year	46,475	55,770
1-2 years	-	46,475
3-5 years	34)	-
Total Premises	46,475	102,245
Total Operating Leases		
Within 1 year	48,376	57,671
1-2 years	1,901	48,376
3-5 years	3,485	5,386
Total Operating Leases	53,762	111,433



For the year ended 31 August 2020

Note 15: CONTINGENCIES

During the year the Council agreed to top up any region that has a reduction in Reserves below 20%. As at 31 August 2020, the financial impact can not be accurately determined as it is contingent on the financial result of each regional council (2019: nil).

Note 16: CATEGORIES FOR FINANCIAL ASSETS	AND LIABILITIES	
	Actual	Actual 2019
	2020	
	S	\$
Financial Assets		
Cash and cash equivalents	1,179,334	1,330,588
Receivables	168,122	233,374
Accrued Income	97,500	61,843
Term Deposits	1,531,704	833,782
Total Financial Assets	2,976,660	2,459,587
Financial Liabilities - at amortised cost		
Trade and other payables	435,145	471,916
Employee Entitlements	66,623	57,408
NZ Game Bird Habitat Trust	133,337	103,357
Total Financial Liabilities	635,105	632,681

Note 17: RELATED PARTY TRANSACTIONS

Related Entities

New Zealand Fish and Game Council manage the stamp programme activities on behalf of the New Zealand Game Bird Habitat Trust Board. Income is collected from the Fish and Game Councils and New Zealand Post. The net income after associated expenditure is transferred to the New Zealand Game Bird Habitat Trust Board. Refer to note 12.

Related party transactions

New Zealand Fish and Game Council receives levies from the Fish and Game Councils. Levies from Fish and Game Councils are legislated by the Conservation Act 1987. Transactions with Fish and Game Councils are not disclosed as related party transaction when they are consistent with normal terms and conditions for such transactions.

There is a total of \$152,451 outstanding from Fish and Game Councils as at 31 August 2020 (2019: \$180,123)



For the year ended 31 August 2020

Key Management Personnel compensation

Key management personnel compensation	Actual 2020	Actual 2019
Remuneration	\$435,043	\$489,279
Full time equivalent	3.3	4.3

Note 18: COVID RESPONSE

Covid-19 has had a financial impact on the New Zealand Fish and Game Council. In this financial year the revenue from levies has not been impacted, however, the forecast for the next financial year will see reduced levies. At the beginning of the lockdown there was uncertainty as to whether there would be a game season, however, positive lobbying from the Council staff ensured that there was a Game season, albeit delayed. This softened the financial impact of reduced income for the Regions. The 2019/20 budget was scrutinised, and only essential work and spending was undertaken to mitigate the impact of reduced licence income.

There has been a national response to the next financial year (2020/21) and the New Zealand Fish and Game Council has reduced the budget for the 2020/21 year along with a reduced projection of income. The New Zealand Fish and Game Council has accepted that in the 2020/21 year it will use reserves to cover any shortfalls.

The New Zealand Fish and Game Council has established a policy to support any Fish and Game region to ensure liquidity and to ensure that all Fish and Game Councils remain a going concern.

Note 19: EVENTS AFTER BALANCE DATE

There have been no significant events after balance date (2019: nil).



NEW ZEALAND FISH AND GAME COUNCIL STATEMENT OF SERVICE PERFORMANCE

For the Year ended 31 August 2020

INTRODUCTION

The New Zealand Fish and Game Council (NZ Council) was established "to represent nationally the interests of anglers and hunters and provide co-ordination of the management, enhancement and maintenance of sports fish and game" (section 26B (1) of the Conservation Act 1987).

The proposed projects and activities of the NZ Council for the year ended 31 August are set out in its Strategic Plan. This Statement of Service Performance describes each of the three goals, key activities and associated performance measures, results achieved, and total output expenses incurred for the year.

Objectives	Outputs	Effects/outcomes
We are seen as a powerful advocate for Anglers and Hunters.	Advocate for the protection and enhancement of sports fish and game bird habitats	Achieved positive outcomes for: Anglers and hunters with advocacy on the NPS-FM, NES-FM, s360 regulations and NPS-IB.
		Representing Fish & Game interest on NES Forestry Group, New Zealand Biodiversity Strategy stakeholder working group, and NPS-FM implementation group. Presented and submitted to RMA review panel and attended select committee on RMA reforms.
	Increase public awareness and support for sports fish and game birds and associated fishing and hunting	Achieved positive outcomes for hunters with submissions on the Firearms Law Reform second tranche. Engaged with hunting sector groups — Federated Farmers, Game Animal Council, New Zealand Deerstalkers Association, Wapiti Foundation, New Zealand Professional Hunting Guides Association, Safari Club International.



Objectives	Outputs	Effects/outcomes
		Achieved positive outcomes for game bird hunters during the Covid-19 period by ensuring there was a game bird hunting season and extending the season to ensure equitable access.
		Communicated legal obligations to game bird hunters through Covid-19 period.
		Liaised closely with Ministers of Conservation, Sports and Police on the game bird hunting season to ensure that game bird hunters had ar equitable opening day and extended season.
		Highlighted negative impacts of winter-break feeding and bad freshwater practices.
		Ran photographic competition to select a winning image for the 2020 fishing licence and the 2020, 2021 and 2022 Habitat Stamp.
The public support what we do and what we say.	Promote public opinion	Released 79 press releases.(76 in 2019)
	S P III O I I	Monitored public references to Fish and Game in media.
	Survey Public Opinion	Commissioned one Colmar Brunton poll to determine public attitude towards freshwater quality.
To protect environmental resources that affect Anglers and Hunters.	Advocate generally Fish & Game interests in management of sports fish and game and habitats	Achieved positive outcomes for: Anglers and hunters with advocacy on the NPS-FM, NES-FM, s360 regulations and NPS-IB.
runcis.		Representing Fish & Game interest on NES Forestry Group, New Zealand Biodiversity Strategy stakeholder working group and NPS FM implementation group.



Objectives	Outputs	Effects/outcomes
		Presented and submitted to RMA review panel and attended select committee on RMA reforms. Maintained social media presence on
		Facebook, Instagram and Twitter.
	Utilise the Resource Management Group for technical input	Organised meeting of Resource Management Group to consider Fish & Game's submission on the RMA Law Reform Bill.
	Secure RMA legal aid	Financially supporting regions with approved funding for 2020/21 to represent the interests and aspirations of anglers and hunters.
		The NZC approved funds for 2020/21 from the RMA/Legal fund on the following basis: Southland: \$55,000 Auckland/Waikato: \$110,000 Lindis: \$100,000 NPS-FM: \$150,000
To promote improved and enduring public access for all Anglers and	Advocate for securing access points	Established regular quarterly meetings with Walking Access Commission to determine access issues across the country.
Hunters.		NZC resolved at February 2020 meeting for staff to develop long term strategy for promoting public access. Strategy development deferred by Covid.
We build strategic alliances with groups who share common goals	Work with environmental NGOs on shared issues	Participated with Environmental NGOs – Greenpeace, Forest & Bird, Environmental Defence Society & WWF. Met with the Prime Minister, Leader(s) of the Opposition, Minister for the Environment and Minister of Conservation, plus Labour, NZ First and National's Environment Caucus committees.
	Identify other strategic partners	Engaged with hunting sector groups – Federated Farmers, Game Animal Council, New Zealand Deerstalkers



Objectives	Outputs	Effects/outcomes
		Association, Wapiti Foundation, New Zealand Professional Hunting Guides Association, Safari Club International.
		NZ Professional Fishing Guides Association with proposed Guide Licence.
		NZ Police, Fire & Emergency & Ministry of Primary Industries in development of an Infringement Notice system.
		Working with NZ Police and Ministry of Health through Covid-19 to ensure safety of staff, honorary rangers and licence holders.
		Building stronger relationships to share knowledge and research with Victoria University Wellington, NIWA, and the Cawthron Institute
	Maintain working relationship with DOC	Working relationship at multiple levels within DOC and involved with DOC stakeholder forums.
		Providing support for a review of Fish & Game.
		Participated in ENGO meetings with DOC Director General.
		Relationship with DOC Taupo renewed over shared issues such as trout farming, guides licence, licence sales, licence system and hatchery operations.
		Work with DOC on various matters such as implementation of Indigenous Freshwater Fish Bill, Infringement Fines system, salmon season bag limit, guides licence.
Grow strategic alliances with Maori	Co-opt a Māori appointee to the NZ Council	Deferred due to review.



Objectives	Outputs	Effects/outcomes
Our research and knowledge is respected and used by others.	Secure commitment from the scientific community	Established Research Reference Group.
		Defined research priorities.
		Committed \$70,000 for annual research programme.
	Mine Licence data for management benefits	Analysed database for marketing promotional and R3 purposes.



Objectives	Outputs	Effects/outcomes
We are seen by the 12 regional F&G councils as leading and coordinating the organisation	Set national policies in three areas	Continued with "This Week in Wellington" report to regions.
		Renewing the NZ Council's Communications Strategy
		Undertook review of New Zealand Council policies, both internal and organisation wide.
		Amending Reserves Policy considering economic implications of Covid.
		Amended Non-Resident Levy Policy.
		Confirmed Hunting Code of Conduct as National Policy November 2019.
		Approved Infringement Fines policy and submitted to Minister for approval.
	Adhere to sound governance and meeting practices	Ensured compliance with Local Government Official Information and Meetings Act as amended by Covid- 19.
		Supported review of Fish & Game by Minister of Conservation.
		Presented advice on levying and budgeting powers and functions to regional managers.
		Held meeting of NZ Council with regional Fish & Game Chairs and provided governance training.
		Supported governance training for North Canterbury Fish and Game Council and recommended governance training for Hawke's Bay Fish and Game Council.



Objectives	Outputs	Effects/outcomes
	Promote new opportunities for costs savings & efficiencies across the organisation	Established NZ Council standing finance committee to review strategic finance and remuneration. Continued with introduction of a R3 customer-oriented focus to F&G activity.
		Undertook a Request for Proposals to introduce a new licensing administration system and CRM system to better engage with licence holders.
=		Agreed to prioritise research on licence price optimisation
We attract and retain high quality	Attract councillors	Inducted three new councillors to the NZC.
board and members of staff	Support executive	NZC maintained executive committee.
	Maintain a staff development programme	No staff development grant approved due to reduced budgets because of Covid-19.
We have a sustainable budgeting cycle	Have a robust finance management and reporting system	I1 regions utilising Xero. Standing finance committee established to consider Fish & Game's long-term financial position and implications of Covid for Fish & Game.
	Manage costs	Co-ordinated with regions to reduce costs because of implications of Covid. The Council operated to Covid-
	Financial statements and service performance accepted in annual audit	reduced budget for the year. Financial statements readable and transparent.
The NZ Council co- ordinates and implements national policy	Complete a review of budget policy	A NZ Council Standing Finance Committee set up in April 2020, but review of budget policy not achieved.
across the entire organisation	Establish a policy on setting national Policy	National Policy on Setting National Policy approved in June 2019.



Objectives	Outputs	Effects/outcomes
	Recommend the fee, form and sale of Game Bird Habitat Stamp & Associated products	Recommended to Minister on 18 May 2020.
	Maintain co-ordination and review of operational policies with regional managers	Weekly Managers Meetings held via zoom through Covid period, and subsequently on a bi-monthly basis via zoom.

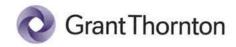


Objectives	Outputs	Effects/outcomes
Increased Angler and Hunter satisfaction.	Retain active angling and hunting participants at all levels	Undertook Colmar Brunton survey on public perceptions of Fish & Game's freshwater advocacy.
		Continued R3 programme focusing on retaining, recruiting and reactivating anglers and hunters.
		Approved R3 roadmap.
		Website review undertaken to improve user experience.
		Work undertaken to standardise fishing events across the country.
		Support given to retaining and recruiting anglers in Fish & Game regions.
	Initiate campaigns and support other initiatives to grow Angler & Hunter participation	Bought together all national fishing events and workshops under one brand – "Take me Fishing". This will enhance awareness and promotion of theses events, which are designed to grow participation.
		Established a partnership with Geozone which saw 500 angler access points included on the Campermate and NZ Motor Caravan Association apps. This initiative was aimed at recruiting holiday makers into fishing.
	Promote new angling and hunting opportunities	Work ongoing on sensitive fisheries and how to best manage them.
	Reactivate lapsed anglers and hunters and maintain their participation	Emails sent out to all whole season licence holders from two years previous who have not purchased a new season licence.
		R3 programme includes initiatives to target and reactivate licence holders.



Objectives	Outputs	Effects/outcomes
There is parity of budgets and staff salaries across the organisation	NZ Council will audit the activities of Fish and Game Councils	Audit of the Wage Subsidy Review of Health & Safety practices undertaken in 3 Regions – Hawkes Bay, West Coast and Taranaki
	Establish a remuneration policy	Not achieved.
There is majority support for decisions across the organisation	Coordinate the recommendation for Minister's approval of all Notices	Anglers Notice approved 20th July 2020 Open Season for Game Notice approved 2 March 2020. Revocation and Replacement Game Notice approved 12th May 2020 Licences, Fees and Forms Notices
		secured for both fish and game seasons.
	Strive for policy consistency across all Councils	Not achieved.
The organisation has a sustainable income base and budgeting cycle	Recommend appropriate licence fees to the Minister after having regard to views of Fish and Game Councils	Licence fees and categories submitted to Minister of Conservation and approved May 2020.
	Determine, in consultation with Fish and Game Councils, the amount of levy for administration of the NZ Council, redistribution between councils, advocacy and research	Levy amounts determined and agreed at budget setting meeting in July 2020 (via zoom).
	Maintain an effective compliance and law enforcement programme	14 Rangers appointed or renewed in 2019-20.
		National Ranger Register updated.
		CERT training for new rangers and refresher courses provided across several Fish & Game councils.





Independent Auditor's Report

Grant Thornton New Zealand Audit Limited

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TO THE READERS OF NEW ZEALAND FISH AND GAME COUNCIL'S CONSOLIDATED FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 31 AUGUST 2020

The Auditor-General is the auditor of New Zealand Fish and Game Council and its subsidiary (the "Group"). The Auditor-General has appointed me, Brent Kennerley, using the staff and resources of Grant Thornton, to carry out the audit of the consolidated financial statements and the Statement of Service Performance of the Group, on his behalf.

Opinion

We have audited:

- the consolidated financial statements of the Group on pages 7 to 25, that comprise the Consolidated Statement of Financial Position as at 31 August 2020, the Consolidated Statement of Comprehensive Revenue and Expense, Consolidate Statement of Changes in Equity and Consolidated Cash Flow Statements for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information; and
- the Statement of Service Performance of the New Zealand Fish and Game Council, on pages 26 to 35.

In our opinion:

- the consolidated financial statements of the Group, on pages 7 to 25:
 - o present fairly, in all material respects:
 - its financial position as at 31 August 2020; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity International Public Sector Accounting Standards with Reduced Disclosure Requirements (PBE IPSAS RDR) (Public Sector); and
- the Statement of Service Performance of the New Zealand Fish and Game Council, on pages 26 to 35:
 - o presents fairly, in all material respects, the New Zealand Fish and Game Council's performance for the year ended 31 August 2020, including for each class of reportable outputs:
 - its standards of performance achieved as compared with the forecasts included in the budget approved by the Council for the financial year; and



- its actual revenue and expenses as compared with the forecasts included in the budget approved by the Council for the financial year; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 18 November 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the financial statements and the Statement of Service Performance and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - COVID-19

Without modifying our opinion, we draw attention to Note 18 of the financial statements, which explains the impact of the COVID-19 pandemic on the Group.

The Council has put in place measures to minimise the impact of COVID-19 on the Group and the regional councils to ensure they have the necessary liquidity and remain going concerns.

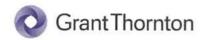
Responsibilities of the Council for the consolidated financial statements and the Statement of Service Performance

The Council is responsible on behalf of the New Zealand Fish and Game Council for preparing consolidated financial statements and a Statement of Service Performance that are fairly presented and comply with generally accepted accounting practice in New Zealand.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare consolidated financial statements and a Statement of Service Performance that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the Statement of Service Performance, the Council is responsible on behalf of the New Zealand Fish and Game Council for assessing the New Zealand Fish and Game Council's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the New Zealand Fish and Game Council, or there is no realistic alternative but to do so.

The Council's responsibilities arise from the Public Finance Act 1989, the Crown Entities Act 2004, and the Conservation Act 1987.



Responsibilities of the auditor for the audit of the financial statements and the Statement of Service Performance

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the Statement of Service Performance, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and the Statement of Service Performance.

For the budget information reported in the consolidated financial statements, our procedures were limited to checking that the information agreed to the New Zealand Fish and Game Council's budget approved by the Council.

We did not evaluate the security and controls over the electronic publication of the consolidated financial statements and the Statement of Service Performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the consolidated financial statements and the Statement of Service Performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New Zealand Fish and Game Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate the appropriateness of the reported performance information within the New Zealand Fish and Game Council's framework for reporting performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the New Zealand Fish and Game Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the Statement of Service Performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the New Zealand Fish and Game Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements and the Statement of Service Performance, including the disclosures, and whether the consolidated financial statements and the Statement of Service Performance represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 6, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independence

We are independent of the New Zealand Fish and Game Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of the Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Grant Thornton also completes an assurance engagement for the Council on regional licence revenue received and distributed by a third party. Other than this we have no relationship with or interests in the New Zealand Fish and Game Council.

Brent Kennerley

Grant Thornton New Zealand Audit Limited On behalf of the Auditor-General Wellington, New Zealand

Brent Ver-eilen

	National Fish Licence	National Fish Licence Sales YTD to 15 November 2020	2020															100				
		Channel	FWF	FWA FWNA		FSLA FLAA	A FWIA	FLBA	FSBA	FDA	FDNA	FWJ FI	FWNJ F	FDJ FDNJ	NJ FWC	C FWNC	FDNC	Total Fish	Fish LEQ	Fish Var	Fish \$	Inc/Dec
Northland	2019-2020	Total	70	99	24	10	s 0	0	2	7	7	10	2	1	0	0 0	0	144	1	133	\$15,349	
	2020-2021	Total	31	101	2	2	2 0	0	1	52	1	14	0	1	0	0 0	0	183		157 18.0%	\$18,105	\$2,756
Auckland Waikato	2019-2020	Total	382	1097	123 20	50 85	0 6	5	49	163	70	87	3	20	0	2 0	0	2,299	2,0	2,045	\$236,472	0.00
	2020-2021	Total	475	1202	47 2	237 75	0 0	0	57	184	8	105	0	11	0	0 2	0	2,408	2,1	2,198 7.5%	% \$254,181	\$17,709
Eastern	2019-2020	Total	1722	1296 1	130 37	377 992	0 2	6	212	579	169	141	12	25	3	0 7	3	602'5	5,014	14	\$579,881	
	2020-2021	Total	1849	1485	20 47	474 1065	5 0	5	278	683	25	161	2	26	7	0 0	0	6,135	5,419	19 8.1%	\$626,723	\$46,841
Hawke's Bay	2019-2020	Total	250	717		180 102	0 2	2	31	87	20	11	1	13	1	0 1	0	1,572	Eţ.	1,388	\$160,547	
	2020-2021	Total	307	873	14 2:	216 120	0 0	3	30	110	9	106	1	14	0	0 0	0	1,800	1,6	1,619 16.6%	% \$187,267	\$26,720
Taranaki	2019-2020	Total	76	298	15	57 15	5 0	1	16	24	6	38	0	0	0	0 0	0	549	4	492	\$56,891	
	2020-2021	Total	96	369	2	99	3 0	0	00	30	1	51	0	2	0	0 0	0	664	9	600 21.9%	156,69\$ %	\$12,460
Wellington	2019-2020	Total	270	1080		212 86	0 9	3	15	65	15	133	1	36	0	0 2	0	1,950	1,7	1,766	\$204,278	
	2020-2021	Total	321	1231	14 2/	243 125	5 0	0	20	75	0	141	1	11	0	0 0	0	2,182	2,017	17 14.2%	% \$233,288	\$29,010
Nelson/Mari	2019-2020	Total	485	1065 2	233 22	223 101	1 0	2	12	80	96	133	3	17	0	0 1	0	2,451	77	2,265	\$261,924	
	2020-2021	Total	995	1104	26 27	279 91	1 0	2	30	122	3	109	0	15	0	0 0	0	2,347	1231	31 -1.5%	\$258,006	-\$3,918
North Canterbury	2019-2020	Total	2168	3248 1	145 8:	817 72	0 Z	6	71	238	103	297	4	38	4	0 4	0	7,218	7,116	16	\$822,963	
	2020-2021	Total	2151	3390	43 94	945 90	0 0	1	82	298	14	111	3	48	0	0 4	0	7,343	7,244	44 1.8%	% \$837,832	\$14,869
West Coast	2019-2020	Total	210	293 1	102	E9 69	3 0	1	10	55	89	77	1	8	1	0 2	3	806		808	\$93,413	
	2020-2021	Total	284	406	4	85 80	0 0	0	77	ш	1	39	0	12	0	0 0	0	1,010	6	944 16.9%	\$109,185	\$15,772
Central South is	2019-2020	Total	2072	2067	273 64	680 494	4 0	13	128	494	194	318	8	19	9	0 3	2	6,813	6,245	45	\$722,195	
	2020-2021	Total	2222	2256	16 78	784 491	1 0	9	144	720	11	329	0	98	1	0 0	0	7,106	6,502	02 4.1%	\$752,005	\$29,810
Otago	2019-2020	Total	2633	3496 2	268 80	808 228	0 8	11	75	368	575	348	7	24	17	9 0	18	8,882	8,321	21	\$962,396	
	2020-2021	Total	2662	3920	41 90	901 257	0 4	7	108	529	35	388	0	65	0	0 0	0	9,238	9,035	35 8.6%	\$1,044,875	\$82,479
Southland	2019-2020	Total	1634	2000	377 4	451 141	1 0	1	48	172	171	383	9	15	5	0 2	3	5,409	5,157	22	\$86'96\$\$	
	2020-2021	Total	1847	2237	27 50	500 176	0 9	1	81	286	11	394	2	33	0	0 0	0	5,595	5,391	91 4.5%	% \$623,425	\$27,037
TOTAL	2019-2020			16,723 1,788				25	699	2,321		1,987	48 2		37 .	30	53	43,904	40,749	49	\$4,712,698	
	2020-2021	Total	13,171 18		59 4,735	35 2,600		20	864	3,139	126	2,138	9 3	367	3 .	9		46,011	43,356	99	\$5,014,244	
														Nation	Il Variance	Vational Variance against 2019/20 YTD	720 YTD		2,607	07 6.4%	\$ \$301,546	\$301,546

\$6,774,768 100.0% 58,579 2020-21 Summary YTD Actual vs Total Budget
2020-21 Annual Budget
2020-21 YTD Actual
Remaining to meet budget

**Important to note:

Please use the LEQ differences when comparing your sales as the \$ amounts do not provide a clear picture due to the increase in licence price.

Non resident levy funds not budgeted

Category	Licences	Levy	-4.5%	Net Levy	GST	Total ex GST
FWNA	259	47	-2.12	44.88	39.03	10107.76
FDNA	126	13	-0.59	12.41	10.79	1359.70
FWNJ	6	7	-0.32	89.9	5.81	52.28
FDNJ	3	15	-0.68	14.32	12.45	37.36
FWNC	•	쫎	-1.53	32.47	28.23	169.41
FDNC	0	70	-0.90	19.10	19.91	0.00
TOTAL	403					\$11,727

Pheasant Preserves

(or Upland Game Properties with Special Conditions)

New Zealand Fish and Game Council Meeting August 2020

Prepared By: Martin Taylor CEO & Jack Kós Policy Advisor

Purpose

1. The purpose of this paper is to set out the costs and benefits of commercial and non-commercial pheasant preserves (or Upland Game Properties with special conditions) so that the NZC can come to a position on the practice, which will then allow the NZC to provide advice to the Minister on the four options she has proposed to resolving the issue. Attached is the DOC briefing (appendix two) that sets out the four options, which we received on 18 June 2020.

Definitions

- 2. Commercial pheasant preserves are properties that are owned by an individual or other legal entity, who breed, release, and then feed pheasants and/or red leg partridge for the purpose of charging a fee to customers to shoot the pheasants or red leg partridges. These commercial entities are exempt from gazetted bag limits and shooters on these properties do not require a game bird licence. Currently there are eight commercial Pheasant Preserves, all of which are specified in the Wildlife Order 2019. Their basis of legal operation is that per the Wildlife Order 2019 pheasants and red leg partridge are not considered a game bird within the boundaries of these properties.
- 3. Non-commercial pheasant preserves, also known as upland game properties with special conditions, are properties that are owned by an individual, syndicate or other legal entity who breed, release, and then feed pheasants and/or red leg partridge so that the landowner and their friends and family can shoot the game birds. Theoretically, no one pays for access to shoot. Currently there are six non-commercial pheasant preserves specified in the Game Notice 2020. Pheasants and partridge are legally a game bird on these properties, but these entities are exempt from regular gazetted hunting conditions and instead subject to gazetted conditions in the Game Notice specific to these properties. Shooters on these properties require a game bird licence.

Ownership

- 4. The following is verbatim legal advice from Elana Geddis:
 - a. Under the Wildlife Act wildlife, including game, is a public resource.

 Ownership does not attach to land. Live wildlife, including game, is owned by

- the Crown. Dead wildlife that has been legally killed is owned by the person by whom it was killed.
- b. An exception applies to game birds that are being hatched and reared for hunting under DOC authority. Such game birds are owned by the person who has been given the appropriate authority by DOC.
- c. Pheasants and red-legged partridges on a commercial pheasant preserve listed in the Wildlife Order 2019 cease to be "game" once they come within the boundaries of that property. While on the specified property they have the legal status of "wildlife" and are therefore owned by the Crown. Although the birds are owned by the Crown, the land owner of a commercial pheasant preserve has the right to control hunting according to the conditions set by the Minister. To date this means they are able to: buy, release and feed the birds; control how and by whom those birds are shot; and to charge customers for access and shooting rights.
- d. Game birds (including pheasants and red-legged partridges) on a non-commercial pheasant preserve are legally "game". Unless they are being hatched and reared for hunting under authority from DOC they are also owned by the Crown. Hunting is controlled by the conditions set by Fish and Game.

Background

- 5. Following legal advice from Sir Geoffrey Palmer in 2019 it was agreed by the NZC and DOC that commercial pheasant preserves were unlawful and should not have been supported by Fish and Game in light of the legislation we operate under.
- 6. This resulted in commercial pheasant reserves being shifted from schedule 1 of the Wild Life Act to schedule 3 by the Wildlife Order 2019 for three years so they could continue operating, while Fish and Game and DOC decide how to address the issue in the long term.
- 7. In response to the situation a number of commercial pheasant preserves have formed a lobby group called the NZ Game & Conservation Alliance with the stated goal of changing the Wildlife Act to make commercial pheasant preserves lawful or to allow them to continue on Schedule 3. They have hired a Q.C. who is drafting legislation now and they invited me to meet with them to review the draft legislation.
- 8. To date I have not engaged with them on any of their legislative drafting as this could be seen to support their case for change when the NZC has not yet come to an agreement on the way forward. Also, due to the potential litigious nature of this group, and the litigation risk I have only engaged with them formally after meeting their representatives once and speaking at their AGM in 2019.
- 9. The survey of regional perspectives (see appendix one) indicates that views on whether to support commercial pheasant preserves are split. What is clear is that

regions support non-commercial pheasant preserves and there is some tentative support for duck hunting to be permitted on non-commercial pheasant preserves as well.

Issues to consider

10. Before looking directly at the costs and benefits of commercial and non-commercial pheasant preserves there are a number of significant issues for the NZC to consider.

11. Regional views:

a. Based on the survey results (see appendix one) there is no majority support for commercial pheasant preserves with only 4 regions outright supporting the practice. However, there is also not a significant number definitively opposed. There is more support for non-commercial pheasant preserves but, overall, the survey results provide little guidance and should be viewed as neutral.

12. Commercialisation of game birds:

- a. The NZC needs to consider the potential implications of permitting the commercialisation of game birds. To do this, we need to answer the following question: 'does permitting commercial pheasant preserves increase the possibility of the commercialisation of other game birds or sports fish?' Currently, in the law there is no distinction between different types of game birds in relation to their legal status. Therefore, if we allow the commercialisation of hunting on pheasant preserves for pheasants our argument against the commercialisation of ducks, or even trout, is fundamentally undermined.
- 13. Commercial and non-commercial pheasant preserves and the founding principles of Fish and Game:
 - a. The founding principles of Fish and Game are that no one owns game birds or sports fish and that no one should have to pay for access to shoot game birds or fish for sports fish. This principle long predates Fish and Game and was one of the defining tenets of the establishment of New Zealand's game bird hunting and sports fishing resources by early acclimatisation societies, distinct from the English models where such species were owned by landowners and were inaccessible except to the elite. This is reflected in the NZC decision in 2000 when discussing pheasant preserves:

New Zealand Fish and Game Council

28-30 July 2000 - Rotorua

Commercialisation of the Fish and Game Resource

That having given due consideration to the feedback received from Regional Councils, the following national policy be adopted -

- 1 That Fish & Game New Zealand reaffirm its total opposition to any form of charging for access.
- 2 That Fish & Game New Zealand is opposed to the exclusive commercial use of the wild sports fish and game resource.
 - b. Following this decision, it was agreed to allow pheasant preserves but there is no specific mention about allowing <u>commercial</u> pheasant preserves.
 - c. The operation of commercial pheasant preserves appears to be inconsistent with the 2000 national policy. Acceptance of commercial pheasant preserves implicitly accepts that, in some circumstances, it can be appropriate to allow exclusive commercial use of the game bird resource <u>and</u> to charge a fee for access to game bird hunting.

14. The negative consequences for Fish and Game of undermining founding principles:

- a. If we permit one group of landowners to have special privileges for whatever reason then we are put into a situation where we need to justify why other landowners cannot have similar privileges and why such privileges can only be extended to certain species of game bird. This may be particularly important in terms of Treaty Settlements and Fish & Game's broad obligations under s4 of the Conservation Act. By way of example, if we permit commercial pheasant preserves on select specified properties (as per the Wildlife Order 2019) we need to ask ourselves what grounds do we have to oppose the establishment of further preserves on an adjacent property? Alternatively, if commercial pheasant preserves are permitted in either a limited or unlimited sense what grounds would we have to oppose a proposal by an iwi to establish a commercial hunting enterprise for indigenous Pūtakitaki/Paradise shelduck? Following from this, if said group sought to also provide commercial hunting for mallards what are our grounds of opposition given we have accepted the commercialisation of select game bird species for other landowners.
- b. If there is an absolute preclusion on the commercialisation of game bird species, then there is a principled basis for opposing <u>all</u> commercialisation of the game bird resource. However, as noted above, if we allow the commercialisation of hunting on pheasant preserves for pheasants our argument against the commercialisation of other game birds, or even sports fish, is fundamentally undermined.

15. Legislative change:

a. To make commercial pheasant preserves lawful in a broad sense will require legislative or regulatory change. While it is likely that the Wildlife Act and Conservation Act will be reviewed in the next term, we need to ask ourselves whether we want to open up the statutory status of game birds, and have a public debate on what is, or should be, a public or private resource. There is also the likelihood that the question of ownership, compensation for, and comanagement of indigenous game birds under treaty claim Wai262 will arise.

16. Impact on our social licence to hunt:

- a. When pheasant preserves were first discussed over twenty years ago the concept of a social licence was not an issue given the broader acceptance of hunting as a legitimate recreational activity. Now, all aspects of hunting are very much part of general social debate. Currently, the social licence to hunt game birds is still strong because game birds are harvested as free-range kai, although animal rights groups are continually trying to undermine this social licence.
- b. The NZC need to consider what would happen if the public became aware that each year we allow tens of thousands of birds to be bred in captivity, fed on a property, then made to fly over a line of shooters who shoot hundreds of them for sport. Statistics from Eastern Fish & Game Region show that on the Eastern region gazetted upland game properties in the past twenty years 393,000 pheasants have been released and 160,000 pheasants shot. Given that these are effectively captive birds that are fed, a high proportion of the remaining 233,000 birds are likely to have died of starvation. Both facets represent serious reputational risk for game bird hunting. These types of driven hunts cannot be defended as 'fair chase' or as 'hunting' or as 'wild food gathering'.
- c. NZ councillors need to consider whether, if there was a broader public awareness of the specifics of driven pheasant hunts, would this undermine our social licence to hunt all game birds? Would NZC councillors be comfortable defending this practice in the public arena?

17. Fish and Game liability:

a. It has been noted by the NZ Game & Conservation Alliance that they would look at litigation to protect their commercial interests considering they have invested a lot of money over 18 years and their members are now faced with the possibility of being forced to cease operating. Advice received indicates that the NZ Game & Conservation Alliance have a low chance of success if they were to take this type of litigation.

18. Threat of judicial review:

a. The NZ Game & Conservation Alliance also have intimated that they may judicially review Fish and Game and/or the Minister if they are unhappy with the outcome on both commercial and non-commercial pheasant preserves. Note that a judicial review does not make a determination on the outcome reached, but rather looks at whether the process to reach that outcome was appropriate.

Four Options Proposed By DOC

19. It is worth briefly canvasing the four options in the DOC brief, before setting out their benefits and risks. NZC staff agree that these four options represent the range of options available with regards to commercial pheasant preserves.

- 20. Option 1 is to take no action, and for the Wildlife Order 2019 to cease as it is intended to in 2021. This represents the default approach and would result in those properties listed on the Wildlife Order no longer having a legal ground to operate as a commercial pheasant preserve.
- 21. Option 2 is to remove the expiry date from the Wildlife Order 2019, which would allow existing preserves to operate but no further preserves to be added. Effectively this would grandfather in the preserves currently listed on the Wildlife Order.
- 22. Option 3 is to create a separate regime for pheasant preserves distinct from the regular Fish & Game game bird regime. This would be achieved by removing pheasants and red-legged partridge as game birds under Schedule 1 of the Wildlife Act and transferring them to Schedule 3 for the entire country. Hunting conditions would still be gazetted, but it needs to be noted that under DOC's interpretation of this option DOC (and not Fish & Game) would then administer these species and prepare the Gazette Notice. As a result, no Fish & Game game bird licence would be required to hunt these birds as they would no longer be game birds.
- 23. Option 4 is to amend the Wildlife Act to legislate for the legal operation of commercial pheasant preserves. This would require public consultation as part of the legislative amendment process.

Benefits and Risks of Available Options

24. Each option has benefits and risks depending on what weighting is given to the issues set out above. When determining the costs and benefits, these are written from the holistic perspective of Fish and Game as an organisation, not from the perspective of any particular group of shooters or hunters.

25. Option 1:

a. Benefits:

- Retains and reaffirms the principled basis of no commercialisation of the sports fishing or game bird hunting resource upon which Fish & Game, and preceding acclimatisation societies, were founded.
- ii. Because this principled basis is retained, there are stronger grounds to oppose future attempts to commercialise the game bird or sports fishing resource from groups that arguably have a stronger claim, such as iwi with indigenous game birds.
- iii. Retains the legislative status of all game birds.
- iv. Beneficial for the social licence of game bird hunting because it mitigates the ethical and animal welfare arguments that could emerge around driven pheasant shoots.

b. Risks:

i. The primary risk associated with this option is the possibility of litigation or judicial review from the NZ Game and Conservation

Alliance. It is for the NZC to determine whether this risk is sufficient to influence their decision.

 NOTE: DOC have advised the Minister, who will ultimately be the decision maker most likely to be subject to judicial review, that they do not foresee any material risks to either the Minister or DOC from this course of action.

26. Option 2:

a. Benefits:

- i. Limits the precedent value of the commercialisation of the game bird resource by limiting it to specific species and specific properties.
- ii. Retains the legislative status of all game birds.
- iii. Mitigates litigation risk.
- iv. There may be a small benefit to public hunters that hunt in the areas surrounding these game preserves as a result of straying birds.

b. Risks:

- i. Inconsistent with Fish & Game's founding principles.
- ii. Allows the commercialisation of specific game birds for specific individuals, which undermines Fish & Game's ability to oppose future attempts to commercialise sports fish or game birds.
 - 1. This needs to be viewed more particularly in light of our obligations under s4 of the Conservation Act as well as the move towards co-management per Wai262.
- iii. Potential risk to the social licence of game bird hunting in light of some of the aspects of driven pheasant shoots.

27. Option 3:

a. Benefits:

- i. Mitigates precedent value of commercialising the game bird resource as pheasants and partridge will no longer legally be a game bird.
- ii. Mitigates litigation risk.

b. Risks:

- i. Loss of two popular recreational species as game birds.
 - Fish & Game will no longer have any ability to manage these species (other than the ability to enforce the conditions DOC set), and will be surrendering management to DOC.
 - 2. This also has a potential reputational risk for Fish & Game from licence holders.
- ii. Amending the list of birds identified as game birds in Schedule 1 of the Wildlife Act has associated risks for other game birds, particularly indigenous species, and certain sports fish like perch that are increasingly listed on regional council pest management plans.
- iii. Small decrease in revenue from licence sales exclusively associated with pheasant hunting.

28. Option 4:

a. Benefits:

- i. Mitigates litigation risk.
- ii. Retains legislative status of game birds.
- iii. Potential benefit to public game bird hunters hunting in the vicinity of pheasant preserves as a result of straying birds.

b. Risks:

- i. Inconsistent with Fish & Game's founding principles by allowing both private capture and the commercialisation of game birds.
- ii. Erodes ability to oppose future commercialisation of game birds or sports fish, again particularly in light of our management of indigenous species and our obligations under s4.
- iii. Potential harm to social licence of all game bird hunting through the public consultation process and attention drawn to driven pheasant shoots.

Recommendations

- 29. Before NZC can advise the Minister on the way forward the NZC need to make decisions on two fundamental issues that underpin this debate:
- 1. Agree to support the current statutory position that game birds and sports fish are a public resource that do not attach to land ownership.
- 2. Agree to change the current statutory position of game birds and sports fish so that in some circumstances they cease to be a public resource and do attach to land ownership.

AND

- 3. Agree that no-one shall charge for access to game bird hunting.
- 4. Agree that in some circumstances legal entities can charge for access to game bird hunting.
- 30. Following on from the above decisions the NZC needs to make a decision on the four options set out in the DOC paper:
- 1. Agree to advise the Minister that the New Zealand Fish & Game Council endorses Option 1.

OR

2. Agree to advise the Minister that the New Zealand Fish & Game Council endorses Option 2.

OR

3. Agree to advise the Minister that the New Zealand Fish & Game Council endorses Option 3.

OR

4. Agree to advise the Minister that the New Zealand Fish & Game Council endorses Option 4.

Regional Consultation

In order to understand regional views on commercial and non-commercial pheasant preserves the NZC consulted with regions through a survey in early 2019. The results of the survey were:

1. Does your Council support the operation of upland game properties with special conditions for the principle purpose of providing a guaranteed hunting opportunity for a fee?

Support	Opposed	No Response
4	4	4

2. Is there support for non-commercial (i.e. where hunting is not being provided for a fee) upland game properties operated by families, private syndicates or friends to provide an immediate and guaranteed hunting opportunity?

Support	Opposed	No / Unclear Response
5	1	6

3. If F&G allows pheasant/quail/partridge hunting on upland game properties with special conditions for a fee, should it also allow hunting of mallards or other gamebirds on that property for a fee?

	Support	Opposed	No / Unclear Response
0		7	5

4. If F&G allows pheasant/quail/partridge hunting on upland game properties with special conditions without a fee, should it also allow hunting of mallards or other gamebirds on that property without a fee?

Support	Opposed	No / Unclear Response
4	2	6

5. Would you support legislation being changed to allow the sale of hunting rights on upland game properties with special conditions but maintain the prohibition on the sale of hunting rights in all other hunting situations?

Support	Opposed	No / Unclear Response
3	4	5

DOC Briefing to MoC

MEMO

For NZC November 2020

Federated Farmers Positions on Fish and Game, Freshwater Reforms and Trout and Salmon

16 November 2020

Purpose

 The purpose of this report is to give fact-based information to assist those NZC councillors who are meeting with Federated Farmers of New Zealand (FFNZ) on 22 November.

Information

2. This memo provides information on (a) the differences between the NZC submissions on freshwater reforms and the FFNZ position on freshwater reforms, and (b) the court proceedings between FFNZ and Fish and Game since 2012.

Summary

- 3. A comparison of the submissions of NZC and FFNZ shows fundamental disagreement between the organisations (see Appendix One). Most fundamentally, a comparison shows FFNZ advocating to undermine NZC's statutory role to advocate for trout and salmonid fisheries and their habitat. For example, FFNZ's NPS submission recommends, "[T]hat trout and salmonids or their habitat are not protected under the provisions of the NPS-FM."
- 4. NZC and FFNZ disagree on the seriousness and extent of New Zealand's freshwater pollution.
- 5. NZC and FFNZ also disagree on most high-level policy points and, therefore, detail of what policy is required. For example, high level policy disagreements include:
 - NZC is concerned about self-regulation being adopted as a way forward through farm plans. FFNZ puts forward farm plans as the primary approach to improving freshwater management. Farm plans are at high risk of becoming a form of selfregulation as capacity to develop and audit plans is limited and private business will perform both of these roles.
 - NZC submits that, "setting nutrient bottom lines set at the national level will make a significant difference to ecosystem health". FFNZ opposes the setting of nutrient bottom lines.
 - NZC supports limiting further intensification through the National Environment Statement Freshwater (NES-F). FFNZ opposes limiting intensification.
 - NZC supports NES-F rules to control excessive nitrogen. FFNZ opposes rules to control excessive nitrogen and support farm plans to address nitrogen.
 - NZC supports NES-F rules to control high risk activities like Intensive Winter Grazing. FFNZ opposes rules to control high risk activities like Intensive Winter Grazing and instead proposes farm plans can manage the effects of these activities.

- NZC supports fencing in both lowland (<5 degrees) and sloped land, noting that
 the majority of contaminants enter small upper catchment waterways. FFNZ
 opposes stock exclusion rules for land with slope >5 degrees, recommending the
 focus for fencing is on lowland rivers.
- NZC supports compulsory fencing of wetlands over a certain size (ha). FFNZ opposes.
- 6. Overall, comparison of submissions and press releases shows NZC and FFNZ have starkly divergent views. They can be summarised as NZC maintaining that healthy waterways are extremely valuable to New Zealand and, therefore, strong policy protection is necessary and desirable, while FFNZ maintains that concern over water pollution has been overstated and weak policy is adequate.
- 7. The starkly divergent views are reflected in the approach FFNZ has taken in court proceedings between FFNZ and Fish and Game since 2012. This is set out in Appendix Two and shows how FFNZ have spent considerable funds opposing almost every reform that would stop or slow down freshwater degradation. They have also been very successful to date as reflected by the state of our waterways across the country especially in those areas of intensive dairy farming.

Conclusion

- 8. Based on the factual information set out in Appendix One and Two it is clear FFNZ as an organization is opposed not just to the position NZC take on freshwater but also our statutory mandate. The NZC need to be aware of this when seeking to work with FFNZ.
- 9. The NZC also need to consider what the impression of working with FFNZ will mean for our licence holders, as the Colmar Brunton survey we did confirmed there is a lot of support for our current freshwater advocacy approach.

Appendix One

Each row in the table below shows corresponding extracts from the submissions on particular policy points and detail. Rather than be exhaustive this review of submissions sought to identify and highlight the most significant areas of disagreement. Additionally, included here are the titles and first lines of press releases from NZC and FFNZ over the Essential Freshwater period (approx. 2019 to May 2020).

COMPARISON OF SUBMISSIONS

Introductory statements	New Zealand Fish & Game Council (NZC)	Federated Farmers of New Zealand	Comments
	"We cannot continue to destroy our waterways for short term economic gains. Beyond the broad societal benefits of a healthy and flourishing environment, New Zealand's long term economy, supporting tourism and industry, ultimately depend on the health of	"Federated Farmers agrees that more action is required to improve the health of our waterways. However, we consider the size and the nature of New Zealand's freshwater quality problems and challenges has been overstated. For this	Disagree on the scale of the country's water quality problems. Disagree on the cost/benefit of environmental protection for the country.
	our environment." "While we support the aims of the Action for Healthy Waterways package, the drafting of the proposed NPS, NES and 360 regulations as presented too weak to be able to achieve the stated goals without a significant re-write. It is important that the Government hold firm on imposing regulation, and not fall back to an industry self- regulation model. The industry self-regulation model to date has failed to protect our waterways. More oversight and regulation, as proposed in this freshwater package is required and	reason, the proposed solution is disproportionate to the "problem" it seeks to solve. Priority concerns include the one-size fits all regulatory approach, short consultation timeframes, inadequate transitioning periods, and the costly and often unjustified impacts that will follow." "We propose Farm Environment Plans that are targeted, meaningful to the farmer, and 'living documents'; not locked in at a point in time. If a current FEP	Disagree on the relative need for regulatory measures versus self-regulation (farm planning).

		meets council rules, it should in interim be exempt from the need to be certified. We support the more realistic implementation timeframes proposed	
		in the Regulatory Impact Statement."	
On trout and	New Zealand Fish &	Federated Farmers	Comments
salmon	Game Council (NZC)	of New Zealand (FFNZ)	Comments
		"It is currently an extraordinary proposition that trout be treated as an "honorary native". We reference the decision of the Environment Court (Lindis Catchment Group Inc v Otago Regional Council [2019] NZEnvC 166), by his Honour Judge Jackson dated 7 October 2019 in this regard – where trout are noted as being an "introduced pest (albeit one with special status under section 7 RMA)" We seek that protection of streams and wetlands include protection of indigenous fauna from exotic predators and mechanisms are developed to enhance indigenous aquatic populations such as identification of some waterways where trout and salmon are removed and a year-round open season on those species is adopted. "	FFNZ makes the recommendation "[t]hat trout and salmonids or their habitat are not protected under the provisions of the NPS-FM." FFNZ is seeking to avoid reference to NZC's statutory role in the policy. FFNZ is using language that is specific to NZC's statutory role and, therefore, is aware of the role and seeks to undermine it. FFNZ also recommends, "That in some catchments comprising threatened indigenous freshwater species, an unrestricted open season on trout and salmon is adopted to progressively remove the predatory pressure on indigenous freshwater species."

"As a principle, we support the protection of threatened indigenous freshwater species. However, we think there is clear inconsistency in this regard, given the strengthened protection provided to trout and salmon in other areas of the NPS-FM. Trout are a major predator and threat of our indigenous freshwater species.

We reference the decision of the Environment Court (Lindis Catchment Group Inc v Otago Regional Council [2019] NZEnvC 166), by his Honour Judge Jackson dated 7 October 2019 in this regard

The protection of trout and salmon raises a contradiction that may have implications on Maori values and Te Mana o te Wai (specifically Te Hauora o te Wai) as galaxiids are a taonga species. Salmonids are predators of galaxiids to the point of localised extinction in many cases where access is provided⁴⁹. To illustrate, the Gollum galaxiid (Galaxias gollumoides) is identified as "at risk & declining", and

found within the Nevis catchment. Sadly individuals are generally only found within those tributaries where trout are unable to gain access. Trout employ an rselection reproductive strategy typical of many pest species and are a key driver in aquatic indigenous biodiversity losses within NZ.

The Act requires decision makers to have particular regard to trout and salmon habitat by s7 (h), rather than the exotic species themselves. This is at odds with the requirement to protect aquatic galaxiids from salmonids, and especially so where they will gain access to areas where they have historically been excluded."

FFNZ recommendation:

"That trout and salmonids or their habitat are not protected under the provisions of the NPS-FM.

That in some catchments comprising threatened indigenous freshwater species, an unrestricted open season on trout and

		salmon is adopted to progressively remove the predatory pressure on indigenous freshwater species. This could be achieved by analysis of waterbodies comprising threatened or taonga species and a priority schedule be adopted into the NPS-FM. Appropriate legislative changes can then be made to support the unregulated removal of the exotic species."	
On farm plans	New Zealand Fish & Game Council (NZC)	Federated Farmers of New Zealand (FFNZ)	Comments
	"However, Fish & Game New Zealand have concerns about the reliance on Fresh Water Farm Plans (FWFP) to manage these activities. The quality, content and effectiveness of FWFP is variable and may not achieve the important goals of restoring ecosystem health to rivers, lakes and wetlands. The quality and content of these needs to be improved before they can be relied on as an effective tool."	"Not all farms should need to be certified and audited in the way proposed, but they should be subject to satisfying specified requirements."	FFNZ proposes that farm plans be used in the place of rules to control high risk activities and fencing of sloped land. They propose a system of certifying and auditing these plans to ensure their quality, while at the same time recommending that not all farms should need to be certified and audited. NZC supports NES rules and opposes the use of farm plans over NES rules as they are untested.
National Policy	New Zealand Fish & Game Council (NZC)	Federated Farmers of New Zealand	Comments
Statement for Freshwater Management		(FFNZ)	

New attributes for DIN, DRP and sediment

"Setting nutrient bottomlines set at the national level will make a significant difference to ecosystem health in degraded waterbodies around the country. It will also save communities who care about the health of their rivers a significant amount of time and money as nutrient bottomlines are argued at every regional plan hearing, in every region, with the agricultural sector consistently arguing for nutrient bottomlines that will harm our freshwater ecosystems.

The new bottomlines proposed are not too ambitious. They represent a river in 'barely OK', ecological state, and nowhere near pristine freshwater systems. The new bottomlines signal a return to the health of rivers New Zealanders used to enjoy 20 or 30 years ago and that we wish our children and grandchildren to enjoy in their lifetime. Specifically, Fish & Game New Zealand support:

- Table 5 for Dissolved Inorganic
 Nitrogen,
- Table 6 for dissolved reactive phosphorus, Implies

"We oppose the nationally-set broadbrush bottom lines for DIN, DRP and sediment." Disagree on national nutrient and sediment bottomlines.

NZC identifies nutrient bottomlines as key to protect communities because of the cost associated with nutrient limits being contested at every regional plan hearing.

It is worth noting that the New Zealand Society of Freshwater Sciences (a body representing ~400 freshwater scientists and professionals) supported nutrient and sediment bottomlines in their submission.

A number of public health entities (including the College of Public Health Medicine) also supported nutrient bottomlines.

National Environment Standards -	Table 10 for suspended sediment." New Zealand Fish & Game Council (NZC)	Federated Farmers of New Zealand (FFNZ)	Comments
Freshwater		,	
Fish passage	"Allowing unimpeded passage of fish between and within waterbodies is an important component of ensuring a healthy freshwater ecosystem, for both native and valued introduced species. Removing existing barriers to fish passage (such as inappropriately constructed or maintained culverts and weirs) is an important part of restoring freshwater ecosystems. Setting direction and rules that require this in the NPSFM and NESF is supported."	"We oppose the onerous arbitrary restrictions proposed within the NES for culverts, weirs and dams, and will comment on the specifics of these in our submissions on the NES below.	
Interim limits on land use intensification	 "Fish & Game New Zealand support the intent of tools proposed in the NESF to manage land intensification and high risk land use activities. Fish & Game New Zealand support the intent of the requirement (in subpart 2 of the proposed NESF) for changing land use to a higher intensity land use to require a 		

resource consent.
Ensuring that intensification of land use is controlled is an important action to halt the decline in water quality.

However, Fish & Game New Zealand are concerned that the caveat to 'ensure that pollution from that land use does not increase' is not an effective or efficient means of achieving the outcome sought.

L SEP

- While New Zealand has some tools to model losses of nitrogen, it does not have readily available tools to model and compare losses of sediment, phosphorus or faecal contamination at the farm level. The lack of tools will likely mean that decisions about whether or not contaminant losses will increase will be based on poor information or no information at all. see
- Many regional councils do not

	have male ear		
	have robust processes and policy in place against which to assess resource consent applications for changes to land use, and so decisions will be made in a comparative information and policy vacuum. As a consequence, the risk that environmental outcomes will be worse when land changes use is high" "A moratorium (or prohibited activity status) for conversions from any land use to dairy farming or dairy support would provide the certainty		
Control of excessive nitrogen	that is required." "A cap on nitrogen fertiliser application and nitrogen rich bought in feed at 150kg N/ha/year would restrict intensification of other livestock land uses beyond sensible thresholds."		FFNZ support what is essentially a self-regulatory measure, proposing farm plans as the appropriate mechanism for controlling excessive nitrogen loss. FFNZ opposes all other regulatory instruments to control excessive N loss. This is in direct opposition to NZC submission which outlines a number of times, the risks of self-regulatory measures and the need for a

		clear and strong
		regulatory approach.
		regulatory approach.
Control of high	 Fish & Game 	
risk activities,	New Zealand	
such as	support	
Intensive	restrictions on	
Winter	high-risk land	
Grazing	use activities,	
(IWG).	such as	
	intensive winter	
	grazing,	
	proposed in Part	
	3 sub-part 1 of	
	the proposed	
	NESF.	
	Provisions to	
	manage high	
	risk land use	
	activities should	
	remain in the	
	NESF. [st]	
	However, Fish &	
	Game New	
	Zealand have	
	concerns about	
	the reliance on	
	Fresh Water	
	Farm Plans	
	(FWFP) to	
	manage these activities. The	
	quality, content	
	and	
	effectiveness of	
	FWFP is	
	variable and	
	may not achieve	
	the important	
	goals of	
	restoring	
	ecosystem	
	health to rivers,	
	lakes and	
	wetlands. The	
	quality and content of these	
	needs to be	
	improved before	

	they can be relied on as an effective tool."		
Concluding statements	New Zealand Fish & Game Council (NZC)	Federated Farmers of New Zealand (FFNZ)	Comments
	"While Fish & Game New Zealand acknowledges that many farmers are now doing their best to remedy past practices and environmental consequences, the primary sector leadership generally has been far too focussed on production expansion, at the expense of freshwater environmental quality. The historically quoted claim that all farmers are conservationists, and that farmers want to leave the land they administer in a better condition than when they first took it on is not matched by the state of New Zealand's		

freshwater environment. today."	

PRESS RELEASES (2019 TO MAY 2020)

Date	New Zealand Fish and Game Council	Federated Farmers of New Zealand	Comment
25	Working with nature reaps	Zealand	
Jan	rewards for farmers		
Jan	Tewards for farmers		
	Two Canterbury high country		
	farming couples have been		
	jointly awarded the 2018		
	North Canterbury Fish &		
	Game Working with Nature		
28	awards.		
Jan	Kiwis want tougher water quality rules to protect		
Jaii	rivers		
	Over 80 percent of New		
	Zealanders want tougher		
	rules to protect rivers, lakes		
20	and streams from pollution.		
30 Jan	Be Careful Where You Escape From The Heatwave		
Jan	Escape From The Heatwave		
	As New Zealand swelters		
	though this week's heatwave,		
	people are being warned to		
	be careful where they cool off		
	with nearly 200 rivers, lakes		
	and streams classed as		
	unsafe for swimming since November according to		
	regional and district council		
	information.		
21	Environment and Water	Tax recommendations	
Feb	Pollution Tax Proposals	threaten future prosperity	
	Welcomed		
	Figh and Come is welcoming	"In our view the environmental taxes that have been mooted	
	Fish and Game is welcoming recommendations for	will be even worse than a	
	environment, pollution and	CGT," Andrew says.	
	water extraction taxes, saying		
	New Zealanders want change		
	now.		

	Ι		
	The recommendations are		
	contained in the Tax Working		
	Group's final report, released		
	today.		
13	Fish and Game staff		
Mar	concerned at state of		
	Manuherikia river		
	Recently Fish and Game		
	staff, alongside the Otago		
	Regional Council (ORC),		
	Manuherikia water users, the		
	Central Otago Environmental		
	Society (COES) and		
	interested community		
	members walked parts of the		
	Manuherikia to assess the		
	river in terms of flow, habitat		
	and general appearance at		
	low flow levels		
18	Environment Report	Better data will help us do a	
Apr	Confirms Regional Council	better job - Federated	
7	Failure	Farmers	
	Fish and Game welcomed the	The Environment Aotearoa	
	report on New Zealand's	2019 report released today	
	Environment today and	will help all New Zealanders,	
	believe it is a performance	not just farmers, identify the	
	review on regional councils	priorities for action.	
	and how they have	•	
	completely failed to protect	But we can only manage what	
	the environment.	we have information on,	
		Federated Farmers	
		environment and water	
		spokesperson Chris Allen	
		says.	
		·	
15	Canterbury water testing		
May	alarming		
	Fish & Game are concerned		
	that Environment		
	Canterbury's <u>latest</u>		
	groundwater survey shows		
	ninety-five per cent of		
	Canterbury's monitored wells		
	have nitrate levels worse or		
	no better than those ten years		
	ago.		
5 Jun	Tough new rules to clean		
	up water welcomed		
	Fish & Game New Zealand		
	welcome that the		

		quality	
21 Aug		Feds' message to the government on water	
24	New data released by Stats NZ shows that freshwater quality is New Zealanders' top environmental concern. "Stats NZ New Zealand General Social Survey showed that freshwater quality is New Zealand's most significant environmental issue," Fish & Game New Zealand Chief Executive Martin Taylor says.	Fods' mossage to the	
Jun	water reforms have public support		
30	Fish & Game New Zealand welcomes the pre-emptive media campaign by Beef + Lamb, DairyNZ and Federated Farmers in anticipation of photos of farmers behaving badly this winter. The campaign is trying to point to them being a minority, with Beef + Lamb asking for good pictures.		
28 Jun	Fish & Game welcome intensive agriculture leadership		
13 Jun	August. Fish & Game back call from Canterbury Medical Officer of Health Fish & Game New Zealand back the call from Canterbury Medical Officer of Health Dr Alistair Humphrey that research into the levels of nitrates in drinking water is urgently needed after a new study found a correlation of high nitrate levels and bowel cancer.		
	Government's plan to halt the decline in water quality and improve rivers, lakes and streams will be announced in August.		

		A 'one size fits all', inflexible and punitive regulatory regime for water quality just gets backs - and costs - up and most importantly will not work, Federated Farmers says.	
22	Fed Farmers message to		
Aug	the Government on water quality misses some crucial facts		
	While Fish & Game New Zealand is pleased to see Federated Farmers Environment Spokesperson Chris Allen say that 'we all want good, fresh water', he conveniently overlooks some key facts.		
2	Kiwis expect Govt to		
Sept	deliver strict new water quality rules		
	quality rules		
	Pollution of our rivers and		
	lakes remains a top concern		
	for Kiwis according to public		
	opinion poll results, with two-		
	thirds of people expecting the		
	Government to put rules and regulations in place to protect		
	water quality.		
2	Fish & Game react to	Feds pleased Water	
Sept	DairyNZ's latest	Conservation Order	
	greenwashing	declined	
	DairyNZ's refusal to understand that the public are	Federated Farmers is pleased an application for a Water	
	pushing for a step-change in	Conservation Order has been	
	water quality was highlighted	declined for the lower	
	today by their cynically-timed press release on their Water	catchment of Hawke's Bay Ngaruroro River.	
	Accord, Fish & Game New	ingalulolo invel.	
	Zealand chief executive		
	Martin Taylor says.		
5 Sept	New Zealanders deserve fresh, clean water - Govt needs to deliver	Freshwater proposals throw farming under the tractor	
		Federated Farmers estimates	
	Today's Government	large parts of rural New	
	announcement has the	Zealand will have to abandon	
	potential to fix New Zealand's	their reliance on the pastoral	
	freshwater pollution crisis -	sector based on the	
	but only if the right options		

are selected, Fish & Game New Zealand Chief Executive Martin Taylor says. 10 Fish & Game react to Sept shoddy LGNZ Essential Freshwater report Local Government New Zealand's Regional Sector Water Subgroup has today released a report assessing some of the potential impacts of the reforms proposed under the Essential Freshwater Package. 13 Fed Farmers fight against new rules Fed Farmers acknowledge we need to improve water quality yet fight against new rules. In the face of overwhelming public opinion that farmers need to clean up after themselves, Federated Farmers has mounted an	
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themselves, Federated Farmers has mounted an	
Farmers has mounted an	
offensive to try and stop	
some of its members having	
to do just that.	
16 Freshwater plan unlikely to	
Sept have major impact on Dairy	
Industry - NZIER report	
Fish & Game New Zealand	
has welcomed the findings of	
a New Zealand Institute of	
Economic Research report,	
which rejects claims the	
Government's freshwater	
proposals will have a	
significant economic impact.	
18 DairyNZ's selective memory	
Sept in support of polluters	
In response to DairyNZ's	
attempt to dismiss an	
economic report that	
highlighted dairy's role in the	
New Zealand economy is	
only three per cent of GDP,	
Fish & Game New Zealand	
Chief Executive Martin Taylor	

Nov			i de la companya de
12	DairyNZ claim of economic ruin if we stop polluting		
		is now under serious threat.	
		in some parts of New Zealand	
		the future for pastoral farming	
		they were announced, that	
		believes, as it did on the day	
		government's Essential Freshwater proposals, and	
		submission on the	
		lodged its 184-page	
		Federated Farmers has	
		freshwater	
1 1100		positive engagement on	
1 Nov	environmental concern.	Farmers looking for	
	Zealanders' top		
	freshwater quality is New		
	Stats NZ shows that		
	Data highlighted today by		
	water reforms have public support		
2 Oct	Stats NZ survey shows		
0.0-1	health indicators.		
	improving for important river		
	are more common than		
	show that degrading trends		
	Air, Water Aotearoa (LAWA)		
	Data released today by Land,		
	indicators		
Sept	degradation of river health		
22	LAWA data shows		
	research.		
	DairyNZ citing NZIER		
	is undermined by ten years of		
	Economic Research (NZIER)		
	the New Zealand Institute of		
	The attempts by DairyNZ CEO, Tim Mackle, to discredit		
	The attempts by DairyNZ		
Sept	research		
18	DairyNZ reliant on NZIER		
	explain."		
	credibility, that's for them to		
	highlight the sector's		
	consultancy that the dairy sector has previously used to		
	independent economic		
	reject a report from the same		
	says: "If DairyNZ wishes to		

			T
40	New research from independent economic consultancy NZIER shows that DairyNZ's economic analysis and conclusion are misleading New Zealanders.		
18 Dec	Further research confirms the positive impact of Govt's freshwater reform proposals		
	Research by University of Auckland economist Professor Tim Hazledine, released today by the Environmental Defence Society (EDS) confirms that intensive agriculture lobbyists have misrepresented the impact of the freshwater reforms on New Zealand's economy, Fish & Game New Zealand Chief Executive Martin Taylor says.		
3 Mar	Water Pollution Remains A Major Concern For New Zealanders		
	Pollution of our rivers and lakes remains one of New Zealanders' top two concerns, according to new public opinion poll results released today by Fish & Game New Zealand.		
16 Apr	'Our Freshwater 2020' Notes The Poor State Of Our Lakes And Rivers		
200	The Government is being urged to heed the just-released Our Freshwater 2020 report on New Zealand's environmental performance, with Fish & Game New Zealand saying it is yet another report underlining the poor state of our lakes and rivers.		
28 May	Freshwater Reforms A Significant Step Forward	Government Freshwater Package Responds To Rural Communities' Anxiety	

	The Government's policy announced today is a significant step forward in reducing pollution in our rural and our urban waterways caused by intensive farming and through council's neglect. However, there is still more work to be done in the coming years, Fish & Game New Zealand Chief Executive Martin Taylor says.	Changes to central government Essential Freshwater regulations reflect farmer feedback, Federated Farmers says. "While we're still working through the detail, the high level policy decisions indicate the government has heeded some of the rural sector concerns," Federated Farmers environment spokesperson Chris Allen says.	
5 Aug	Freshwater Reforms Gazettal A Significant Step Forward		
	The new National Policy Statement and National Environmental Standard for Freshwater, gazetted by the Government today, is a significant step forward in reducing pollution in our rural and urban waterways caused by intensive farming and through regional council neglect, Fish & Game New Zealand Chief Executive Martin Taylor says.		
6 Aug		Expect Increased Rates Costs From New Government Freshwater Laws	
		The government's new freshwater laws, signed off this week, have the potential to create significant unnecessary costs for ratepayers, farmers and entire communities, Federated Farmers says.	
25 Aug		Feds Pleased To See Minister Make A Start On Fixing New Water Regs	
		The government is finally acknowledging it has released freshwater regulations which will not work on farms.	

	The constant of the	7
	The unworkable regulations	
	which have become law, but	
	have not yet even come into	
	force, have already seen	
	Southland farmers threaten to	
	ignore the new requirement to	
	get resource consents for	
	using an animal feeding	
	technique called winter	
	grazing.	
	"This was going to be entirely	
	unworkable for Southland	
	farmers, and many others	
	around the country during	
	cold, wet winters," Feds'	
	water spokesperson Chris	
	Allen says.	
2	Freshwater Regulations Will	
2 Sept	Freshwater Regulations Will Stall Progress, Add Costs,	
	Freshwater Regulations Will	
	Freshwater Regulations Will Stall Progress, Add Costs,	
	Freshwater Regulations Will Stall Progress, Add Costs, On Canterbury	
	Freshwater Regulations Will Stall Progress, Add Costs, On Canterbury The new NES rules include limits on land use intensification, set controls on	
	Freshwater Regulations Will Stall Progress, Add Costs, On Canterbury The new NES rules include limits on land use intensification, set controls on intensive winter grazing, and	
	Freshwater Regulations Will Stall Progress, Add Costs, On Canterbury The new NES rules include limits on land use intensification, set controls on intensive winter grazing, and limits the use of synthetic	
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	Freshwater Regulations Will Stall Progress, Add Costs, On Canterbury The new NES rules include limits on land use intensification, set controls on intensive winter grazing, and limits the use of synthetic nitrogen fertiliser. Federated Farmers has been consistently raising issues with the workability of the regulations. The organisation's Southland	

Appendix Two

COURT PROCEEDINGS BETWEEN FEDERATED FARMERS AND FISH & GAME SINCE 2012

Horizons One Plan:

<u>Day v Manawatu-Wanganui Regional Council 2012 and 2013 (Environment Court Decisions)</u>

The appeals related to the Manawatu-Wanganui Proposed One Plan and issues of surface water quality relating to non-point discharges. Federated Farmers had either supported the Decision Version or asked that all controls over intensive food production be removed. Promotion of voluntary approaches and 'good management practices':

"[5-9]....some parties [including Federated Farmers] put a great deal of emphasis on setting in place voluntary or educative approaches to tackling the acknowledged problems - meaning that time should be taken to educate and persuade all of those with a stake in the region's water quality towards a joint, and preferably voluntary, programme. The Dairying and Clean Streams Accord (of which more later) might be held up as an example of that style of approach. We have no difficulty with approaches of that kind - they are laudable, as far as they go. But history suggests plainly enough that alone they do not suffice to effectively deal with the problem. ..."

. . .

[5-146] There is no doubt that the regime which is likely to deliver the best water quality outcome is the Fish and Game and Minister's one (with year 1-20 LUC-based limits), as confirmed by all the modelling (both the initial and further modelling) undertaken by Dr Roygard, Ms Clark, Dr Ausseil and Dr Ledgard. The yet further modelling carried out by Dr Roygard confirmed that. The Fish and Game/Minister regime is likely to achieve the desired water quality improvements more often, and for longer periods, especially during times of low flow which, as Dr Scarsbrook, an ecology witness for Fonterra, acknowledged is the most important time for maintaining aquatic values. The other approaches result in no, or very limited, improvement in water quality.

[5-158] The primary industries submitted that the LUC regime would impose social and economic costs on existing dairy farmers, as well as on the community, and there needed to be robust and conclusive cost and benefit evidence to justify this.

Should there be a reference to reasonably practicable farm management practices?

[5-180] ...Implementing Tier 1 measures as fast as reasonably practicable is not consistent with the principle of internalising adverse effects to an acceptable level. Tier 2 mitigation practices may be necessary, or if the situation is serious enough, certain types of land should not be used for dairy farming at all.

[5-181] For those reasons, the phrase reasonably practicable farm management practices (or variations on the theme) should not appear in the surface water quality objectives, policies or the rules of the One Plan.

(J Burns & C Malone representing Fish & Game)

<u>Horticulture New Zealand v Manawatu-Wanganui Regional Council [2013] NZHC 2492</u> (HC Appeal from the above Environment Court decisions)

This was a largely unsuccessful appeal by Horticulture New Zealand and Federated Farmers of New Zealand Inc against the decision in *Day v Manawatu-Wanganui Regional Council* [2012] NZEnvC 182. The first appellant (Hort NZ) did not succeed in the appeal at all, and the second appellant (Federated Farmers) succeeded only in one very minor respect.

Federated Farmers "[originally] advanced 18 questions for this Court's consideration. But time, **clearer thinking** and palliative aspects of the implementation plan proposals since issued by the Council have whittled that number down to eleven. A number were abandoned at the hearing. Questions 1, 8 and 9 posed by Horticulture NZ were also posed by Federated Farmers. Albeit, in slightly different terms. However, Mr Gardner for Federated Farmers was content to adopt the form posed by Horticulture NZ."

"It is said by the appellants that the reforms go too far. One of the appellants describes the thrust of the new scheme as 'too aspirational and distant from the reality of the Manawatu-Wanganui region — a region whose economy is based on its rural-based activities, most particularly farming'. The appellants prefer the more limited and 'more practical' version of the scheme recommended by an independent hearings panel in 2010. But that more limited approach was set aside by the Environment Court in 2012."

Federated Farmers Cost/Benefit argument: Rule 13-1 concerned existing intensive farming land use activities where the nutrient management plan demonstrates that the nitrogen leaching loss from the activity would not exceed the cumulative nitrogen leaching maxima specified in Table 13-2. Such a land use activity is a controlled activity under the Plan. Likewise new intensive farming land use activities that meet that standard (under r13-1B). Mr Gardner, again, submitted that the Environment Court had not considered the costs and benefits of including this matter, contrary to s 32. "I reject the submission that the Court's approach infringes s 32."

Federated Farmers technical jurisdictional argument: Federated Farmers argued that because of that absence of specific reference, the appeal against the Decision Version does not meet the requirements of cl 14(2) of the Sch 1 of the Act (i.e. the part of the RMA that provides for the process of submissions, hearings, appeals etc.)

"[181] There is a regrettable aridity about this argument. Wellington Fish & Game's submission, referencing Table 13.2 and seeking strict provisions in relation to the application of the values in that table, was in effect a submission on r 13-1. That, as I have said, carries Table 13.2 into regulatory (as opposed to objective or policy) effect. I repeat here what I said at [49] to [52] under the heading of Question 2. Narrow interpretations under cl 14 of Sch 1 are to be avoided. Secondly, and in any event, Federated Farmers' own submission seeking redrafting of r 13-1, on which I remarked in the context of Question 18, either alone or in conjunction with the submission by Wellington Fish & Game, provided the Environment Court with the jurisdiction to direct the inclusion of subclause (ab) in those rules."

From High Court decision on costs ([2013] NZHC 2853): High Court found that the appeals were motivated to a significant degree by the objective of reducing compliance costs for members of Federated Farmers and HNZ, who therefore had a pecuniary interest in the outcome. "…the arguments in this case had more than the normal degree of complexity.

Particularly the arguments advanced by the second appellant, Federated Farmers, which had a somewhat transient character as they came to be shifted, restructured and in some instances abandoned altogether."

(R Sommerville QC representing Fish & Game)

<u>Declaration proceedings - Wellington Fish and Game Council v Manawatu-Wanganui</u> Regional Council [2017] NZEnvC 37

Horizons had issued approximately 200 resource consents for existing intensive land uses and for conversions to intensive land uses. By far the majority of these were for existing dairy farms but some of the consents issued were for conversions. Declaration proceedings following the failure by Horizons Regional Council to implement the One Plan correctly. Horizons had granted many of these consents on the basis of a Council Resolution that was contrary to the One Plan and that said:

"... [a]n existing intensive farming activity that provides a trajectory of N reduction that is achievable on the farm or has low N loss or the farm operating system is economically and environmentally efficient (no low cost options are available) will be given a consent term of 15 to 20 years."

Federated Farmers opposed the making of the declarations.

[33] Federated Farmers generally supported the Council's position, taking the view that ... the Council is operating within the law, and within the spirit of the law, in its approach to issuing resource consents for the activity of intensive farming land use ...

The general tenor of [Federated Farmers'] evidence was in support of the position that farmers in the area were doing their best, and working with OVERSEER modelling to improve their contaminant leaching, within the realities imposed upon them by revenue from their produce."

Federated Farmers attempted to defend the Council's (illegal) Resolution: "[47] As a closing note on this topic, we record that Mr Gardner for Federated Farmers submitted that the Resolution could be (or could have been) considered as another matter under s 104(1)(c). This was contested by the applicants, who submitted that consideration of the Resolution is unlawful, and that such a contention supports the importance of making the declaration. Given the views we have expressed about the content of the Resolution and its standing, we plainly would not agree with the Federated Farmers position, but the point is now academic and we need not spend further time on it."

A contribution toward Fish & Game costs of these proceedings was negotiated with Council but only a proportion of the following total costs was paid (in an out of Court settlement):

Lawyer* or Witness:	Fee	Disburse ments	Total exI GST	GST	Total incl
S Ongley (discounte d rate)	\$35,900	\$2,277.29		\$5,385.00	\$43,562.29

H Marr	\$32,392	\$553.68		\$4,962.93	\$38,049.11
P Taylor	\$23,007	\$1,337.32		\$3,651.65	\$27,995.97
Total	\$91,299	\$4,168.29	\$95,467.2	\$13,999.5	\$109,607.3
			9	8	7

^{*}M Wright costs – not included.

Proposed Canterbury Land and Water Plan, 5 December 2013

Decision of Hearing Commissioners David F Sheppard (chairman), Edward Ellison, Rob van Voorthuysen appointed under Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010.

Federated Farmers argued against a rule prohibiting stock access to waterbodies.

"[284] Federated Farmers submitted that the Prohibited Activity rule (Rule 5.71 as finally recommended to us) would result in unreasonable and unintended consequences on properties, and that a Non-Complying classification would offer more flexibility. They argued that prohibiting stock access to water bodies, and restricting stock movement on extensive properties with light stocking rates in particular, would be impractical, costly and inefficient. Examples of the impracticalities and inefficiencies they raised include:

- stock exclusion on physically complex landscapes intersected by many springs, seepages, small streams and or braided and dry river beds;
- hill and high country farms that depend on stock being able to access water for drinking;
- movement of stock across rivers where no alternative exists;
- absolute exclusion imposing severe difficulties in some instances where stock could not be provided with drinking water in any other way;
- fencing off the water bodies to protect salmon spawning areas having significant costs, involving in some cases tens of kilometres of fencing;
- fences having visual impacts on natural landscape values;
- excluding sheep from water bodies negates the benefit of sheep grazing to control weed growth on riparian margins;
- expert reports **not showing that the Upper Hurunui and Landslip Stream are significant enough salmon spawning sites** to merit inclusion in Schedule 17."

"[290] We are persuaded that retention of Prohibited Activity for recommended Rule 5.71 (a combination of Rules 5.133 and 5.134 as notified) is consistent with the responsibilities CRC has under the Act, NPSFM, RPS, the Objectives of the LWRP and the vision and principles of the CWMS. Setting limits and avoiding environmental creep are key elements of the LWRP."

<u>Hawke's Bay and Eastern Fish and Game Councils v Hawke's Bay Regional Council</u> [2014] NZHC 3191 (Ruataniwha Water Storage Scheme)

Board of Inquiry appointed to consider a Proposed Plan Change 6 (PP6) to the Hawke's Bay Regional Management Plan, the Tukituki Catchment Regional Plan (Regional Plan) and resource consent applications for the Ruataniwha Water Storage Scheme.

At issue was the Board's approach to managing nitrogen levels in the Tukituki Catchment Area.

Federated Farmers and other production interests argued for a 'single nutrient approach' focusing on the management of phosphorus, with a 'hands off' approach to the management of nitrogen - focusing only on the toxicity effects of nitrogen (effects on ecosystem health can be seen at lower levels to toxicity effects). In some situations, this would have meant an increase of 30% in nitrogen in leaching rates without the need for a consent being triggered.

Fish & Game sought a dual nutrient approach that would include controls over both nitrogen and phosphorus.

The single nutrient approach was rejected by the Board - most of the expert witnesses (in conferencing) agreed it was "fraught with risk". The Board found that **nitrogen levels** should be set to protect ecological health.

"[491] Some submitters expressed concern about the possibility of a **resource consent being required to farm** and those concerns were reiterated when the draft report was released. We note that similar concerns were raised in [the <u>Day</u> case]. As we have already accepted, the comments on the draft report exposed an error ... Now that the proviso has been added to Rule TT1(j), the Board believes that it is unlikely that a resource consent will be required for the majority of farms within the catchment. **Consents are only likely to be required for farms that fail to adopt sustainable farm management practices or desire to intensify beyond the natural capital capacity of the land**. Having regard to the requirement to implement the NPSFM the Board does not see that as unreasonable or contrary to the sustainable management purpose of the RMA".

Fish & Game, EDS and Forest & Bird appealed the Board's decision to the High Court on one matter (the 'deeming rule'). Federated Farmers/production interests joined the appeal in opposition. The appeal succeeded, and the Board was directed to reconsider the deeming rule and devise an "appropriate mechanism for monitoring the amount of DIN that enters the Catchment Area". 1

(R Sommerville QC and C Malone for Fish & Game)

<u>Hawke's Bay Fish and Game Council v Hawke's Bay Regional Council [2017] NZEnvC</u> 187; [2018] NZEnvC 192

This appeal concerned the definition of "wetland" in the decisions version of proposed Change 5 ("PC5") to the Hawke's Bay Regional Plan.

¹ Rule TT1(j) in the Board's Draft Report applied to farms larger than 4 ha. In the Board's Draft Report, farms covered by the rule required resource consent if they caused or contributed to excesses of the specified levels of dissolved inorganic nitrogen entering the Tukituki Catchment Area. However, in the Board's Final Report, issued after submissions were made on the Draft Report, the rule was changed so that farms covered by the rule were deemed not to be contributing to the specified levels of dissolved inorganic nitrogen entering the Tukituki Catchment Area if the farm complied with certain nitrogen leaching rates, which were specified in another rule. The High Court found that the Board breached its duty to re-consult when it re-drafted the rule in the Final Report.

Hawke's Bay Fish and Game Council appealed against the decisions version of PC5. The appeal was joined by Federated Farmers of New Zealand. Prior to the hearing, **modified relief was agreed to by Hawke's Bay Regional Council, Fish and Game and Forest and Bird. However, Federated Farmers** supported the definition of wetland in the decisions version of the Plan, and **opposed** the relief sought. Federated Farmers raised a jurisdictional challenge relating to whether or not Fish and Games' original submission to the council was "on" PC5. The Court concluded that Fish and Game's appeal sought relief beyond what it was entitled to under cl 14, sch 1 of the RMA and that it was not reasonably or fairly raised. Accordingly, the Court had no jurisdiction to grant the relief sought by Fish and Game in its appeal in relation to the definition of "wetland". Thus Fish and Game's appeal failed due to lack of jurisdiction (scope).

(M Baker-Galloway for Fish & Game)

Aratiatia Livestock [2019] NZEnvC 208 (Southland Regional Plan appeals)

This Decision was preliminary - only related to the Objective and Policy framework in the Southland Regional Plan (not the rules).

Federated Farmers arguments included that "primary production" should be given more explicit recognition in Objectives and Policies:

[84] Farming makes a significant contribution to the economic and social wellbeing of the region and Federated Farmers is particularly concerned about the regional impact regulation may have - which we were told will be greater than in other regions. Federated Farmer's planning witness, Mr D Sycamore, cited RPS Issue RURAL.1 and Objective Rural 1 in support of the Objective referencing the enabling of primary production. **However, on closer examination we could find no direct support** in these provisions for the express recognition of primary production.

- (S Ongley for Fish & Game)
- (S Gepp now acting in further stages sharing costs with RFBPS)

EXAMPLES OF PROCEEDINGS YET TO BE HEARD BY THE COURT

Southland Regional Plan (stage 2) Appeal/s274 Notice

Federated Farmers appeal points that are yet to be considered by the Court:

• Stock exclusion from waterbodies

"requiring progressive exclusion of all stock, except sheep, from lakes, rivers (excluding ephemeral rivers), natural wetlands, artificial watercourses, and modified watercourses on land with a slope of less than 15 degrees by 2030:

- (a) The decision incorrectly assumes that all stock access affects bank erosion and water quality.
- (b) It disregards the **cost and practicality** of excluding livestock from hill and high country streams.

- (c) It disregards the role that livestock grazing plays in pest and flood management in riparian areas.
- (d) The receiving environment does not discern the source of contaminants. If it is appropriate for sheep to be excluded from waterbodies that show positive signatures for sheep E.coli. then **gamebirds should also be excluded from waterbodies** that are subsequently found to failing the secondary contact bottom line in NOF and showing positive signatures for avian E.coli.

We oppose the addition of stock exclusion implementation in Farm Environmental Plans.

It is not appropriate to apply a non-complying status to excluding stock from waterbodies.

Winter grazing

The rules need to be balanced and recognised for the vital role which winter grazing plays in ensuring optimal animal health. Blanket controls over the area of a farm that can be in winter grazing have the potential to create significant animal health issues and affect production, especially the growing out of young stock and the mortality rate for calving and lambing...

Feed pads/lots

Our members all have unique farms and each farming system differs. This rule is **unnecessarily prescriptive** without catering for the full scope of good management options.

- Regionally Significant Wetlands and Sensitive Water Bodies
- (a) It is inappropriate to revise Appendix A without thorough research, investigation, ground-truthing, and extensive public and landowner consultation.
- (b) We consider that many of the wetlands listed are not 'regionally significant'.

Almost all waterbodies that that are not impeded by physical obstacles contain **trout**. In these waterbodies, the (Appendix M taonga species) **galaxiids are consumed to local extinction**. Federated Farmers questions how the Appendix M taonga species galaxiids and their related habitats will be protected from trout predation should the relief sought be adopted. It remains unclear how **sports fish and game birds that adversely affect these taonga species** and their related habitats will be managed.

Importance of ephemeral waterbodies

We disagree that within ephemeral rivers fertiliser should not be applied and/or farming should not occur. Many are swale-like depressions that comprise part of a typical farming operation. We do not accept ephemeral rivers necessarily, or always, have high ecological values. We oppose the suggestion there is no break-feeding over ephemeral waterways. We oppose the increased setbacks proposed by the appellant.

• Farm Environment Plans

We oppose the use of OVERSEER for mixed farms. The margin of error outweighs any benefit that may be derived from the data. **Our members consider the FEMP should**

contain the bare basic information rather that a tome [sic] of information that requires significant investment by landholders.

Northland Regional Plan appeal/s274 Notice

• Access of livestock to rivers, lakes, and wetlands

Beef cattle and dairy support cattle are often grazed at lower densities than dairy cattle and this can make exclusion methods costly per hectare coupled with a **smaller economic base to recoup costs**.

Non-regulatory relief in the form of free farm water quality plans through the NRC's Environment Fund will partially off-set the onerous requirements for these industry sectors, however, there are a number of rules identified in this plan which will call on this service – will access and resourcing for this service be sufficient?

At this time, Federated Farmers have not received any feedback from our members with regard to the accuracy of the NRC stock exclusion maps.

Water takes

Federated Farmers are concerned that there is **insufficient data to set allocation limits** and the NRC indicative allocation map currently sits outside of the plan.

Water take below a minimum flow or water level – non-complying activity - Federated Farmers doubt the efficacy of taking a strict approach to allocation, if strict measures are not really shown to be necessary. Without confidence about the amount of low flow, farmers could incur a lot of expenditure and delay in seeking resource consent for a non-complying activity for what may amount to little or no environmental benefit.

Proposed Waikato Plan Change 1 ('Healthy Rivers') Appeal/s274 Notice

General:

Federated Farmers supports efforts to improve water quality. However, these efforts need to be targeted and balanced with **economic cost and social disruption** in order to achieve sustainable management. An appropriate transition and pathway needs to be provided, including staging of actions over (with Federated Farmers' view being that the focus of the first 10 years is on 10% of the journey, with **farms adopting good management practices or good farming practices**). The actions required ought to recognise the scale, intensity and risk of activities, as well as the fact that this is the first part of the journey, the catchment is currently not well understood and farming activities are not the only (and in some cases even the main) driver of water quality issues.

Federated Farmers supports a risk based approach to managing land use. It also supports an adaptive management approach, provided those terms are not interpreted as a precautionary approach but as an approach over time that responds to changes (e.g. environmental, economic, technological) and is refined (as opposed to starting out with a cautious approach).

80 year targets:

Federated Farmers considers that the focus for this plan change ought to be on the first 10 years (and 10% of the journey), and getting farmers to GMP or GFP. While Federated Famers does not propose to delete the 80 year targets, it considers that amendments need

to be made ... to make it clear that ... the 80 year targets are aspirational and not achievable on current technology.

Federated Farmers considers that the short term targets ought to be amended to ensure that the required improvement is 10% of the journey (not 20%).

Whangamarino wetland

- Federated Farmers does not support a separate rule or consent activity status for existing farming activities in the Whangamarino Wetland catchment.
- Federated Farmers does not consider it appropriate that Council could require land use change as that is not the intention of PC1 or the first 10 years of the journey, and it would impose significant cost. Federated Farmers is also concerned that Rule 3.11.4.6 will unnecessarily and unreasonably place the emphasis on mitigations on individual properties within the catchment, without consideration of the bigger picture, efficient and effective interventions (including pest control) and unreasonably place the cost in individual farmers (particularly when whole of catchment, lower cost interventions, including pest control, would likely result in greater water quality improvements).

Wetlands generally

 While Federated Farmers supports, in principle, WRC funding research (or obtaining public funding for research) that addresses the management of wetlands, it considers that there should be no obligation on farming activities to adopt and implement any of the findings of that research.

<u>Lakes</u>

- Federated Farmers does not agree that it is appropriate to require greater scrutiny of
 resource consents for farming activities in riverine or peat lakes. Federated Farmers
 is concerned that water quality issues for these lakes is not well understood
 (e.g. relationship between actions on farm and water quality, effects of pests and
 natural sources etc) and it is not appropriate to require greater actions by
 farmers until that is understood.
- The attribute targets for the lake FMUs ought to be deleted
- Better understanding the effects of pests and natural sources of contaminants, and actions needed to control pests (including identifying the agency responsible and resourcing required).

Reference to "best practice" or "GMP" (good farming practices that are industry agreed)

- Federated Farmers also considers that the focus ought to be on good farming practices (GFPs), or good management practices, and getting farms to GFP in the first 10 years. It is concerned that requiring farms to go beyond GFP will impose significant cost and has not been the subject of a s32 assessment
- Federated Farmers is concerned that "best practice" is aspirational, sets the bar unreasonably high, is not referred to in PC1 and is not sufficiently flexible or certain to provide for the wide range of farm systems and farm types in the catchment.
- Good Farming Practice/s: For the purposes of Chapter 3.11, means an industry agreed and approved (recognising that these evolve over time) practices and actions undertaken at a property, enterprise, industry, subcatchment or community

level to manage or reduce the risk of nitrogen, phosphorus, sediment or E Coli entering waterbodies.

Requiring targets to be met

• Federated Farmers supports identification of mitigations that are appropriate to the land, its use, risk assessment and the short term numeric water quality values, provided that those short term targets are amended as proposed in Federated Farmers' appeal and that no property is responsible for achieving any of those targets. ... this will be outside the control of any party due to factors such as groundwater travel lags, load to come, unexpected or uncontrollable events (e.g. flood) and natural sources of contaminants). The focus should be on actions to assist with achieving water quality targets as opposed to requiring the targets or specific numbers themselves to be achieved (over which there is no control).

Nitrogen Leaching Loss Rates

- NLLR (Nitrogen Leaching Loss Rate) should be used as a drafting gate for dairy activities, it should not be used to require N reductions. ...not used as an allocation or benchmarking tool, or where it is used to require N reductions. Federated Farmers does not agree that a discretionary activity status is appropriate for high NLLR activities. Federated Farmers considers that properties with a high NLLR ought to be provided for as a controlled activity (i.e. so consent cannot be declined).
- Provide for non-notification of consent applications with no need to obtain written approval of affected persons.

Minimum farming standards and FEP's

- Federated Farmers supports a focus on 10 years from when the whole plan change becomes operative (as opposed to 10 years from when it was notified). ... Federated Farmers considers that the FEP will be the key tool for improving practices on farm. However, Federated Farmers considers that there should not be an obligation to implement the actions in a FEP in the 10 year timeframe of PC1 (as that would not recognise that actions need to be staged and that actions may be proposed and planned many years into the future). Federated Farmers considers that the standards ought to be reasonable and the least required, ...
- Federated Farmers is concerned that there is a lack of s32 or s32AA assessment for many of the standards proposed, in that it is not clear what environmental benefit would result from the standards and how this compares with the cost
- FEP's ... identify the nature, combination, priority ad timing of actions in a way that ... [t]akes account of the resources reasonably available to the farm enterprise.
- Federated Farmers agrees that FEPs ought to be able to be amended without requiring a variation of consent or triggering a review of a FEP.
- Enable those farmers who require consent under this rule as a result of non-compliance with Rule 3.11.4.3 to prepare a FEP under Schedule D1 but to propose a tailored solution for the matter(s) in that schedule that cannot be met (as opposed to having to prepare an entire FEP in accordance with Schedule D2).

Stock exclusion

• Stock exclusion: Federated Farmers supports the exclusion of cattle, horses, deer and pigs from waterbodies where there is the ability to tailor the actions, a reasonable time is provided for implementing the actions, and it is needed to address

- adverse effects. Federated Farmers does not support a blanket requirement for exclusion, or even a presumption of exclusion, particularly in respect of springs, drains, intermittent and ephemeral waterways.
- Federated Farmers considers that mitigations to address any damage to aquatic habitat and discharge of contaminants resulting from stock access to waterbodies ought to be addressed in FEPs and not consent conditions.
- While there are likely to be circumstances where the creation of riparian buffers is appropriate, Federated Farmers is concerned that encouraging this adjacent to all rivers, streams, drains, wetlands, lakes and springs to reduce overland flow paths is a very onerous requirement. Federated Farmers considers that this ought to be managed through a tailored FEP assessment and required only where it is reasonably necessary, cost effective.
- Amend the timeframes in paragraph 4 so that they are extended by 5 to 10 years (as opposed to 1 or 2 years) after PC1 becomes operative.

Pheasant Preserves: Ministers Follow Up Questions LATE PAPER

New Zealand Fish and Game Council Meeting 20-21 November 2020

Prepared by: Martin Taylor Chief Executive, NZ Fish and Game Council

Purpose

- 1. The purpose of this paper is to agree on a response to:
 - a. the additional questions asked by the Minister in her letter dated 20 October regarding the NZC decision to support 'Option 2' in relation to pheasant preserves at the last meeting, and
 - b. the additional option (referred to as 'Revised Option 2') sent to the Minister from the NZ Game Conservation Alliance (NZGCA).
- 2. Note the Minister's letter was a response to the NZC letter dated 31 August communicating support for Option 2.
- 3. Note the NZ Game Conservation Alliance letter was passed onto the NZC for comment by DOC.

Background

- 4. At the NZC meeting 147 councillors supported Option 2 in the DOC paper, which was to remove the expiry date of the Wildlife Order 2019.
- 5. Option 2 was proposed by the NZGCA to DOC and would 'amend the Wildlife Order 2019 by Order in Council to remove its expiry date. Pheasants and red-legged partridge would then remain listed on Schedule 3 when on game preserves until such time as the Order was revoked by Order in Council.'
- 6. Note the NZC agenda paper in Meeting 147, which set out all of the four options from DOC, is attached. For clarity, Option 1 is the status quo option as the Minister has to make no change to existing decisions with the result that commercial pheasant preserves would cease to operate in 2022. Option 2 allows commercial pheasant preserves currently listed in the Wildlife Order 2019 to continue operating indefinitely (or until the Order is revoked).

Analysis

- (a) The additional questions asked by the Minister in her letter dated 20 October
- 7. The Minister has asked us to answer the following questions:

- a. Is the Council suggesting that existing commercial preserves should be allowed to continue but that no new preserves should be established in future?
- b. Does the Council expect to recommend the establishment of new commercial game preserves from time to time (or change boundaries of existing preserves) and intend to ask me to seek an Order in Council on each occasion?
- c. Does the Council intend to seek legislative amendments to specifically provide for commercial game preserves?
- d. Does the Council expect to continue to recommend that noncommercial upland game preserves be included in the annual Open Season for Game notices, or expect to recommend that non-commercial preserves also cease to operate
- e. What are the NZCs long term goals for pheasant preserves?
- f. How does the council suggest to address the issue of the potential unfair commercial advantage to existing operators if no new commercial operators are allowed?
- 8. The Minister concludes her letter saying she needs a more detailed policy proposal which answers all of the questions above.
- The decision by the NZC on pheasant preserves in meeting 147 was the NZCs to make, and it was appropriately made following consultation with regions.
- 10. However, the reaction from some regions and the Minister's request for a 'detailed policy proposal' now means the NZC needs to answers all of the Minister's follow up questions to provide context and policy to this decision.
- (b) The additional option sent to the Minister from the NZ Game Conservation Alliance.
- 11.NZGCA's Revised Option 2 would enable commercial game bird hunting to continue on the existing Upland Game Properties designated in Schedule 3 of the Wildlife Act 1953. The key differences between Option 2, as originally recommended by the NZC, and Revised Option 2, as suggested by the NZGCA, are that the NZGCA's version would:
 - a. Make it much easier to create new commercial Upland Game Properties in the future; and
 - b. Reduce/remove Fish and Game's role in that decision.

- 12. Currently, Fish and Game regions and the NZC advise the Minister on conditions for the hunting of pheasants and red-legged partridge. That includes the designation of Upland Game Properties on Schedule 3 of the Wildlife Act 1953. Any new Upland Game Properties must be approved by Cabinet through the Order in Council process to amend Schedule 3 under s8 of the Wildlife Act 1953.
- 13. What the NZGCA are proposing is a new process where the Minister decides which Upland Game Properties should be designated for commercial hunting by issuing a Notice under s6 of the Wildlife Act 1953. Cabinet would not be involved in that decision. This makes it much easier for new commercial Upland Game Properties to be created in the future.
- 14. NZGCA's proposal appears to cut Fish and Game regions and NZC out of the decision-making process. It sets up a direct relationship between the commercial operators (or NZGCA) and the Minister. It proposes, for example, that NZGCA (not Fish and Game) should be responsible for developing a Code of Practice for Upland Game Properties.
- 15. In order to provide some sort of input into this new process the NZGCA suggest the development of an MOU with NZC setting out standards for the operation of commercial pheasant preserves. Note an MOU is not a legally enforceable document and does not create any legal binding obligations on any of the parties. It is not clear how this MOU would relate to the Code of Practice to be developed independently by NZGCA.
- 16. NZGCA have also revised their proposed Option 3, as set out in their letter. The implications of this are set out in the table below. It is unclear exactly how NZGCA would envisage Option 3 operating, but it is likely that any entirely new separate regime to cover pheasants and red-legged partridges would also have no, or a very limited, role for Fish and Game in a statutory sense and that conditions would be set directly by the Minister.

A summation of each option is set out here:

Option	Legal Effect	Practical Effect	Who decides to designate Pheasant Preserves?	Who sets conditions for Pheasant Preserves?	F&G Role
Option 1: Status Quo (Transitional Listing on Schedule 3)	Pheasants + red legged partridge on designated Pheasant Preserves are "wildlife" not "game" for a transitional period of 3 years only	 Current designated Pheasant Preserves can operate commercially until 6 May 2022 (can operate on a non-commercial basis after that date). No new Pheasant Preserves expected to be designated in future. 	Cabinet (Order in Council under s8 Wildlife Act 1953 amending Schedule 3 of the Act)	Minister on advice of F&G (Notice under s6 Wildlife Act 1953)	Advise Minister on conditions and which Pheasant Preserves should be designated
Option 2: original (Permanent Listing on Schedule 3)	Pheasants + red legged partridge on designated Pheasant Preserves are "wildlife" not "game" on a permanent basis	Current designated Pheasant Preserves can continue to operate commercially on a permanent basis.	 Cabinet (Order in Council under s8 Wildlife Act 1953 amending 	Minister on advice of F&G (Notice under s6 Wildlife Act 1953)	Advise Minister on conditions and which Pheasant Preserves should be designated

		Difficult for new Pheasant Preserves to be designated in future.	Schedule 3 of the Act)		
Revised Option 2: NZGCA version	Pheasants + red legged partridge on designated Pheasant Preserves are "wildlife" not "game"	 Current designated UGP can continue to operate commercially Easy for new Pheasant Preserves to be designated in future 	Minister (Notice under s6 Wildlife Act 1953)	Minister in consultation with NZGCA (Notice under s6 Wildlife Act 1953 + Code of Practice developed by NZGCA, supplemented by MOU between NZGCA/F&G)	 Regulate pheasants and red legged partridge not on designated UGP No role re designated Pheasant Preserves?
Option 3: DOC original (Permanent Listing on Schedule 3 for all birds)	All pheasants and red legged partridge are "wildlife" not "game" on a permanent basis	 Designated Pheasant Preserve distinction no longer required. All hunting of pheasants and red legged partridge regulated by Minister on advice of DOC not F&G. 	N/A	Minister on advice from DOC (+ in consultation with NZGCA?) (Notice under s6 Wildlife Act 1953)	• None.
Option 3: NZGCA revision	Pheasants and red legged partridge on all Pheasant Preserves	All Pheasant Preserves can	Minister (Notice under s6 Wildlife)	Minister on advice from DOC	Continue to advise Minister re conditions for pheasants and red

(Permanent Listing on Schedule 3 for all Pheasant Preserves)	are "wildlife" not "game" on a permanent basis	operate commercially. Hunting of pheasants and red legged partridge on Pheasant Preserves regulated by Minister on advice of DOC not F&G. Hunting of pheasants and red legged partridge outside Pheasant Preserves regulated by F&G.	Act 1953 defining areas that are "Pheasant Preserves")	(+ in consultation with NZGCA?) (Notice under s6 Wildlife Act 1953)	legged partridge not on Pheasant Preserves. No role re hunting on Pheasant Preserves.
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Financial Implications

17. Broadly, there are no financial implications in this proposal. Note, however, if the NZGCA's Option 3 (removing pheasants and partridge as game birds) was actioned this could result in a small reduction in revenue based upon a loss of licence holders who exclusively shoot upland game.

Legislative Implications

18. Depending on the direction chosen by the NZC there may be a need to advocate for amendment to the Conservation and Wildlife Acts or to Orders/Notices made under these Acts.

Section 4 Treaty Obligations

19. Depending on the positions reached in the recommendations this could raise Section 4 and Treaty obligation considerations. Based upon the position reached by the Supreme Court in *Ngāi kai ki Tāmaki Tribal Trust v Minister of Conservation* it is possible that NZC's decision to permit a select group to derive a commercial benefit from introduced game birds, whilst not making available the same opportunity to iwi (especially with regard to indigenous game birds) would be inconsistent with our Treaty obligations. In *Ngāi kai ki Tāmaki* the Supreme Court held that Section 4 of the Conservation Act required DOC to consider according a degree of preference and the associated economic benefit to iwi in allocating concessions. Whilst the current situation is not identical it is analogous, and the potential risk needs to be acknowledged.

Policy Implications

- 20. This paper raises varying policy implications depending on outcomes reached.
- 21. It is inconsistent with existing NZC policy:
 - a. 'That Fish & Game New Zealand reaffirm its total opposition to any form of charging for access.' NZC Mar 2001
- 22. It is potentially inconsistent or consistent, depending on the recommendations adopted, with policy on upland game preserves:
 - a. 'Upland game preserves must be approved and licensed by Fish & Game New Zealand' – NZC Nov 2003
 - b. 'That the New Zealand Fish & Game Council seek to establish the appropriate statutory authorities to allow it to regulate the establishment of upland game preserves...' NZC Mar 2001

Consultation

- 23. The regions have been consulted on the support or not for the practice of present preserve as set out in the paper that went to the NZC meeting 147.
- 24. There is no further requirement for the NZC to consult with regions on its response to the minister.

Recommendations

- (a) The additional 'Revised Option Two' sent to the Minister from the NZ Game Conservation Alliance.
 - 1. Agree that the NZC confirms its support for Option 2 as set out in the DOC briefing paper of 6 April to the Minister of Conservation.

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- 2. Agree that the NZC confirms its support for the 'Revised Option 2' as set out in the NZGCA letter to the Minister of Conservation dated 7 October 2020.
- (b) The additional questions asked by the Minister in her letter dated 20 October
 - 3. In order to provide policy backing for the recommendation to the Minister in relation to Option 2 as set out in the DOC briefing paper of 6 April:
 - a. Agree or Disagree that the NZ Council suggests that existing commercial preserves should be allowed to continue but that no new preserves should be established in future.
 - i. Note: If 'Agree' then skip recommendation 1(b).
 - b. Agree or Disagree that the NZ Council expects to recommend the establishment of new commercial game preserves from time to time (or change boundaries of existing preserves) and intend to ask the Minister of Conservation to seek an Order in Council on each occasion.
 - c. Agree or Disagree that the NZ Council intends to seek legislative amendments to specifically provide for commercial game preserves.
 - d. Agree or Disagree that the NZ Council expects to continue to recommend that non-commercial upland game preserves be included in the annual Open Season for Game notices.

- *i.* Note: If 'Agree' then skip recommendation 1(e).
- e. Agree or Disagree that the NZ Council expect to recommend that non-commercial preserves cease to operate.
- f. Agree or Disagree that the NZ Council directs staff to write a proposal on the long-term goals for pheasant preserves.
- g. Agree or Disagree that the NZ Council believes that there is no issue, or is comfortable, with the potential unfair commercial advantage to existing operators if no new commercial operators are allowed.
- 4. Agree to consider a draft national policy on pheasant preserves in February 2021 based on the above positions.