

Three Waters: Another Theft of Democracy? Good-bye Local Control?

If the New Zealand government's major changes to the water sector go ahead it will merge the water services owned and operated by 67 local authorities into four unelected mega-entities.

Three Waters (the Water Services Entities Bill) is being described by many as another theft of democracy. Just as we saw suppression of open scientific discussion regards Covid 19, the Government is pushing forward with its Three Waters reform at full speed against the independent strategic analysis of the crucial "Unsound Evidence" [Castalia report](#).

There is overwhelming opposition, yet the government is sticking with a "we know best" attitude offering \$3 billion to councils for water assets worth \$100 billion. Yes you read that right!

Why should you be concerned about this? In essence they are taking local water assets by force and culling the voices of ratepayers on the bottom rung of multiple levels of bureaucracy. We need to defend local control, and defeat the intended removal of our local voice and property rights.

What is Three Waters?

- The Water Services Entities Bill centralises 67 local authorities and all their water assets in a new government organisation. It confiscates the local infrastructure control of the "Three Waters."
 - Tap water
 - Waste water
 - Storm water

As you know, elected local, regional, and unitary councils in New Zealand take care of these assets on our behalf. Our rates pay for them. They are ours.

- Ardern says people still have "ownership" of their water assets and infrastructure. But when you cannot manage your assets without the right of control, how can that be rights of ownership? Currently this "ownership" question is being pursued in the courts.



Stories the media want to bury about Three Waters.

1. Christchurch City Council councillor, Sam MacDonald uncovered through the Official Information Act the preposterous \$34 million the government spent on trying to convince us Three Waters was a good idea.
2. LGNZ (Local Government NZ) is like a club to which local councils pay to belong that lobbies for local council interests. Local councils pay them an annual subscription of \$4 million a year to safeguard our interests ([\\$130,000 per year](#) by the Christchurch City

Council and a sum likely around \$60,000 per year for the Selwyn and Waimakariri District Councils). Sadly, LGNZ did the opposite and gave Three Waters the thumbs up to the Government with barely any consultation with the local councils. LGNZ agreed (on your behalf) to “not actively oppose such an approach” if the Government chose to legislate Three Waters reform. So, shouldn't all local councils' membership in the LGNZ club be questioned?

3. In September, 2015, LGNZ [released a position paper](#): “Improving New Zealand’s water, wastewater and stormwater sector.” In that paper it concluded that a one size fits all initiative should be avoided and that “the sector is not fundamentally broken – with services confirmed to be reliably delivered at reasonable cost. This suggests that full-blown economic regulation of the sector is unnecessary, and the costs seen in other sectors regulated this way would likely outweigh the benefits of change.”

Yet, in 2022 LGNZ is spearheading exactly what it said would not work; “full-blown economic regulation” and a “one size fits all” model.

4. The strategic Castalia report is being ignored. These independent researchers undertook economies of scale analysis for Local Government NZ. [It exposed the faulty assumption that amalgamation](#) is a necessary ingredient in achieving financing and scale benefits. Their analysis also highlighted numerous lessons missed from overseas. Not only did LGNZ ignore these findings they chose to side with the government ahead of the warnings of the report and ahead of the local councils it exists to serve.
5. Where is the vigorous debate about the problems with control by four new (unelected) co-governing entities? All the billions of dollars of assets from all the councils around the country will be under the control of these entities. They will decide how much you will pay for your water on top of the rates you pay to your council. The price could change at any time; there is no price cap. They will also decide where the money goes. Communities that have been responsible could end up paying for those that have been irresponsible over the years with their funds. There are multiple issues but the most important for every local community is the lack of accountability. In a democracy, local councils that are ineffective can be voted out. The members of the new Three Waters entity will be appointed NOT elected.
6. The claim that “At least 34,000 New Zealanders become ill from drinking tap water every year” is a false statement used by the government. The figure comes from a 14-year-old report that used British figures to estimate the incidence of waterborne gastro-intestinal disease. Ministry of Health annual water quality audits and regular surveillance reports from the Institute of Environmental Science and Research show otherwise. There is no crisis that warrants this massive overhaul to a centralised hierarchical system.
7. The media are not touching the potential eruption of division between Maori and iwi, and between Māori and pakeha that could happen due to lack of consultation and participation. Communication and participation is the key problem here: the structure of management of the Three Waters hierarchy must be carefully explained beyond ideology to avert division amongst all kiwis – and most importantly maintain the voice of local communities in the new system design.

So many unanswered questions

- Is this the beginning of the centralisation of much much more?
- Is Ardern relying on the apathy around local politics to centralise control and ownership of water services? If so, let's change that.
- Isn't it time we become active in local politics, made our local councils better and stronger so grass roots control of our own local assets is not lost?
- Being informed, then following through active debate at a local level is normal in major change like this. Should something as large as this involve a binding council referendum?
- Why has LGNZ let down our local councils? How can we convince our councils to pull out of LGNZ as the Timaru District Council did last year?
- National does not approve of Three Waters, and say if it is elected in 2023, it will repeal and replace it. But what will they replace it with? We need to hear from them what they are planning. We do not want just another form of centralisation. Shouldn't we keep politicians to task, and not be satisfied with generalities?

Sometimes it seems like our politicians are asleep at the wheel. No one in parliament stood up against the tyranny of Three Waters until it is actually very nearly in place. Just like they did not question the illegality of the mandates.

What can you do right now?

The current councillors and mayor at the Christchurch City Council are already opposed to the Three Waters reforms. Therefore it is the membership of the LGNZ club that should be our focus as last year most councillors voted to remain in LGNZ.

The Selwyn District Council and the Waimakariri District Council also have significant reservations about Three Waters but all remain members of LGNZ.

Defend local control. Leave LGNZ

Leaving LGNZ voids the Heads of Agreement Memorandum signed by LGNZ (on behalf of our councils) with the Central Government. Doing this would stop Three Waters reform in our region

(of course, the Government may introduce additional legislation to ram it through). We must therefore encourage our councils to pull out of LGNZ. And if they do not, we must demand our councils hold a binding referendum on continuing membership of LGNZ.

Attend the Public Forum and speak to councillors at a Council meeting. You have the right to make

a five minute submission to them outlining why the council should leave the LGNZ club. See the information at the bottom of this article for how to present in a Public Forum.

Create a groundswell against the bill

Ask questions of your councillors in person as part of the Public Forum at council meetings (go in supportive groups) contact your local MP and share your concerns with people around you, so they can pass it on. Flood the government with letters of concern.

The good news?

Ironically this could be the end of the apathy in local politics and the beginning of a revival in strong community involvement. So, let's concentrate on that positive resolve!

How to speak at a Public Forum

Contact your council at least one day prior to the meeting (preferably one week beforehand) advising that you would like to attend the Public Forum where you would like to talk for five minutes about the Council's membership of LGNZ and why the council should leave LGNZ. (Note: you are not giving a deputation. Deputations must relate to a presentation on an existing agenda item.)

Useful links

- https://www.democracyaction.org.nz/three_waters_reform
- <https://www.communities4localdemocracy.co.nz>
- The Castalia Report. Unsound Evidence:
<https://www.wdc.govt.nz/files/assets/public/documents/services/water/castalia-report-three-waters.pdf>