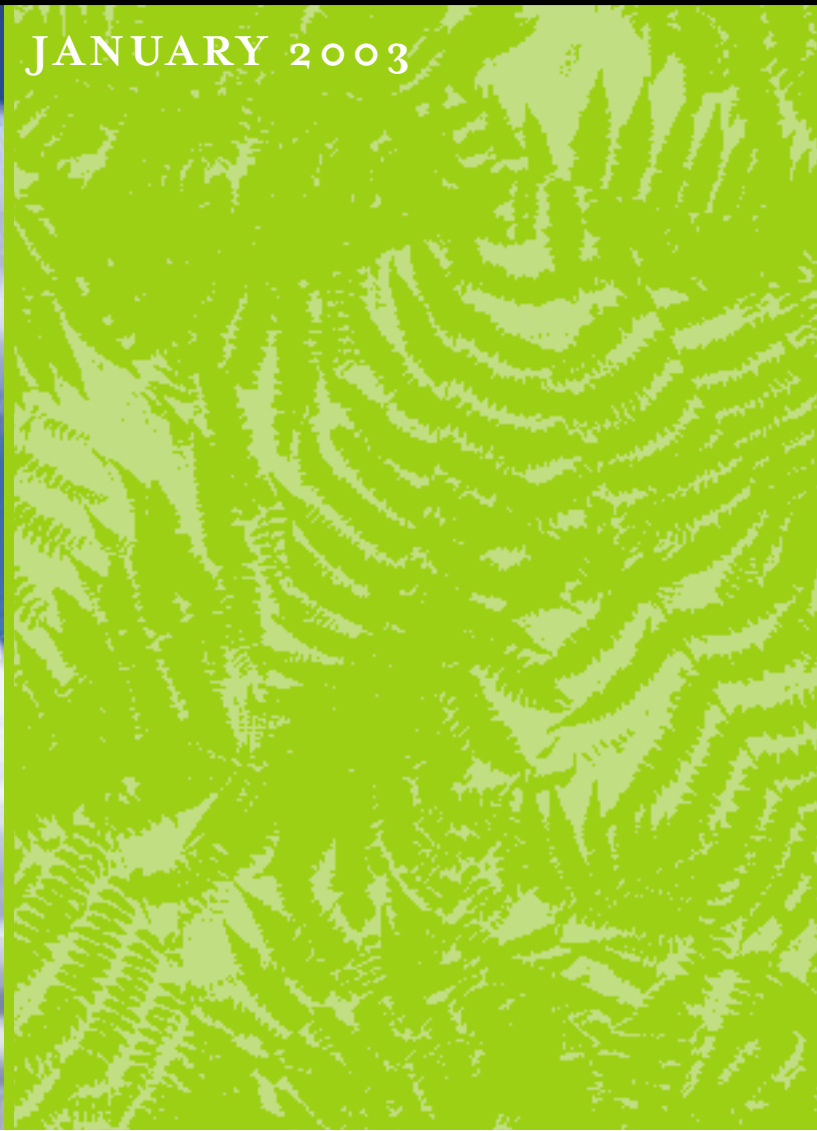


SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND PROGRAMME OF ACTION



JANUARY 2003

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**SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND
PROGRAMME OF ACTION**

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FOREWORD

This programme of action for sustainable development is the government's view of the way forward. It recognises that everyone has a role to play, and that there are many areas where the best results will depend on collaborative action.

The government has a key leadership role of articulating outcomes and directions for New Zealand. That is the main purpose of this programme of action – to set directions and outline the initial actions the government will be taking. We will focus on the issues of water quality and allocation, energy, sustainable cities, and child and youth development.

Partnership is at the heart of the sustainable development approach. We want to engage with others who have a stake in the issues, and work together to develop and implement the programme of action.

We want to build an innovative and productive New Zealand. The sustainable development approach will help us find solutions that provide the best outcomes for the environment, the economy and our increasingly diverse society. New Zealand's success in the modern world depends on this – so too does the wellbeing of future generations.

Marian H. Hobbs

Hon Marian Hobbs

Minister for the Environment
Minister with responsibility for Urban Affairs



ONE. INTRODUCTION

THE SUSTAINABLE DEVELOPMENT APPROACH

Sustainable development is “*development which meets the needs of the present without compromising the ability of future generations to meet their own needs*”.

Achieving sustainable development involves a different way of thinking and working. It requires:

- looking after people
- taking the long-term view
- taking account of the social, economic, environmental and cultural effects of our decisions
- encouraging participation and partnerships.

These themes are woven through the policy principles and the specific programmes of action developed in the next sections of this document.

Sustainable development was brought to international attention by Agenda 21 and the Rio Earth Summit, which focused on the pressures that will need to be resolved if the environment, the economy and communities are to flourish in the 21st century. Some fundamental changes must occur if this is to be achieved. At a global level and here in New Zealand, we need innovative solutions for the complex issues we face.

Although sustainable development has wide international acceptance, it is important that New Zealand develops solutions and approaches that reflect our unique geography, culture and way of doing things.

The aim of this document is to set out a programme of action for sustainable development in New Zealand. It builds on *The Government's Approach to Sustainable Development* released in August 2002, at the time of the World Summit on Sustainable Development in Johannesburg, and the work on sustainable development indicators, *Monitoring Progress Towards a Sustainable New Zealand*. It also takes into account the report of the Parliamentary Commissioner for the Environment, *Creating Our Future: Sustainable Development for New Zealand*.

The programme of action focuses on the government's contribution to sustainable development. It puts forward a number of projects and initiatives that the government considers important. It is not intended that this programme of action is a one-off event. Rather, it is a first step that can be updated with new initiatives as appropriate.

The document does not traverse all that the government is doing, as this has been done by previous documents. Instead, it puts forward some key issues and an approach to strengthen our decision making so that the concept of sustainability is infused into policy development.

Implementing a sustainable development approach cannot be achieved by the government alone. It requires leadership from other players including local government, iwi/Maori, business, NGOs, and communities. Strong relationships and partnerships lie at the heart of this approach. The government will tackle the issues in the programme of action by working closely with other sectors.

The government's Growth and Innovation Framework says that New Zealand's development path needs to achieve a higher level of economic growth. This needs to be a sustainable path and one that adequately protects natural capital. The programme of action outlined here aims to ensure that the quality and durability of economic growth improves the wellbeing of all New Zealanders and the environment, now and for the future.

THE GLOBAL CONTEXT

Work in New Zealand on sustainable development is taking place in the context of efforts around the world involving international agencies, governments, sector organisations, communities, and individual enterprises.

The 1992 Rio Earth Summit raised the profile of environment and development on the international agenda. The 2002 World Summit on Sustainable Development reviewed implementation of key objectives and secured renewed commitment to the broader aim of sustainable development.

“Development which meets the needs of the present without compromising the ability of future generations to meet their own needs”.

The United Nations and the World Summit have focused attention on the pressing global issues. The WSSD Plan of Implementation reaffirms targets for reductions in poverty, and in child and maternal mortality. It makes commitments to development for Africa and small-island developing states. It promotes more open trade, development aid and debt relief. It also makes commitments to cleaner production, the development of renewable energy sources and reductions in waste. And it highlights the reduction of biodiversity loss and the restoration of depleted fish stocks as issues for action.

Since the Rio Earth Summit, many governments have produced sustainable development strategies. Organisations like ICLEI, (an international association of local governments) the World Business Council for Sustainable Development, their New Zealand counterparts, and the OECD have been supporting work in specific sectors.

Some governments and other sectors have produced programmes of action that reflect their particular circumstances. Our programme of action aims to translate the core concepts of sustainable development into practical terms. It focuses on several key areas, bearing in mind the WSSD Plan of Implementation but also the progress New Zealand is already making in areas such as fisheries management, waste management, energy, and biodiversity.

New Zealand continues to play a part in international action on issues such as energy, aid, trade, oceans, biodiversity, and climate change.

A CHANGING POPULATION – THE NEW ZEALAND CONTEXT

When we think about sustainable development in the New Zealand context and start taking a longer term, more encompassing view, it is clear that our changing population is particularly important. New Zealand's options for sustainable development in the 21st century will be shaped by our population. Population change has significant implications for all the issues in our programme of action.

New Zealand will continue to have a small population

Current projections suggest that the population is unlikely to reach 5 million in the next fifty years, and may never do so. The New Zealand population is projected to grow to 4.4 million by 2021, to 4.6 million by 2051 and to fall slightly, to 4.2 million, by 2101. Natural decrease will become the norm and, increasingly, population growth will depend on gains from immigration.

People will be more mobile ...

The effect of the departure of New Zealanders for work overseas and arrivals from the rest of the world is a “turnover” in population that has resulted in a relatively high proportion of our working age population being overseas-born.

Population mobility has implications for patterns of settlement, infrastructure and the environment. The majority of new migrants settle in Auckland, at least initially. Auckland's rapid growth is raising concerns that its infrastructure, in particular, may act as a barrier to future economic development because the city will be unable to accommodate the numbers of new migrants expected.

More ethnically diverse ...

The richer ethnic mix that is emerging highlights the need to ensure that individuals and communities can participate fully in society. This has implications for institutional structures, community cohesion, and the maintenance and development of cultural and national identities.



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And older

Growth in the proportion of elderly New Zealanders is expected to quicken after 2011, when the large birth cohorts of the 1950s, 1960s and 1970s enter their sixth and subsequent decades of life.

The OECD is projecting that over the next 25 years, around 70 million people will retire in OECD countries to be replaced by just 5 million workers – a reduction in the working-age population of 65 million. This contrasts with the past 25 years when 45 million new pensioners were replaced in the workforce by 120 million baby boomers.

A consequence of the reduced domestic supply of workers in OECD countries is that migration policies generally will become more open, making it more difficult for New Zealand to attract skilled migrants and to retain its own skilled people.

The ageing population will change the nature of work

Labour-market dynamics will be affected by the increasing average age of the workforce, the smaller size of entry cohorts, and an increasingly global market for labour and technology. If we are to produce a workforce that has the education, skills and talent required to compete effectively in a global economy, we will need to encourage new modes of work, new organisational forms and life-long learning.

Pressures in the labour market are likely to increase the incentives and demands for women to be in paid employment. Unless workplace conditions are responsive to families, this is likely to exert further downward pressure on fertility, accelerate the process of population ageing, and further reduce the size of the future workforce.

These trends mean the “quality” of our young people will be paramount if they are to fully participate in society and the economy and so meet the challenges ahead. Looking towards the labour market of the 2010s and 2020s, we need to ask whether we are doing enough to ensure that this relatively small group of new workers is fully prepared.

We have a window of opportunity

Because of a birth rate that is relatively high compared to other OECD countries and an increase in births around 1990 (the “baby blip”), New Zealand has a window of opportunity to address potential problems arising from the population dynamics outlined here.

Key issues facing New Zealand are:

- A large cohort will soon begin retiring from the workforce and will be replaced by a smaller cohort. The innovative entrepreneur (or school dropout) of 2015 are right now in their formative years of development. Now is the best time to ensure that they have the skills to help them prosper later in life and, conversely, to limit the burden they could place on society and minimise the deprivation they might face in their adult lives.
- An older workforce, and the need to encourage older people to remain in paid employment.
- The “baby blip” that will reach late adolescence around 2005-2010 and put pressure on the tertiary education sector, including apprenticeship training.
- New Zealand's ability to attract, retain and make best use of the skills and talent it needs for sustainable development.
- Infrastructure and other issues that have arisen from changing patterns of settlement, especially for Auckland.
- The access of all groups to sustainable paid employment.
- The increasingly diverse social, cultural, and economic needs of New Zealand society.

The sustainable development approach gives us a way of thinking about these issues and finding solutions that give us the best outcomes – not just for the life of our community but also for the environment and the economy. The vision statement in the next section together with the programme of action that follows set the direction and outline the practical steps the government intends to take.

TWO. SUSTAINABLE DEVELOPMENT IN POLICY AND DECISION MAKING

The central commitment of this programme of action is to strengthen the way government operates by applying a set of guiding objectives and principles across the government sector. By doing this, the government is offering a lead to other sectors and enterprises in New Zealand, and an invitation to share the path to our common future. The strategic intent is established through a high-level vision statement, and principles to guide government policy and decision making.

A VISION FOR NEW ZEALAND

- A land where diversity is valued and reflected in our national identity.
- A great place to live, learn, work and do business.
- A birthplace of world-changing people and ideas.
- A place where people invest in the future.

We look forward to a future in which New Zealanders:

- celebrate those who succeed in all walks of life and encourage people to continue striving for success
- are full of optimism and confidence about ourselves, our country, our culture and our place in the world, and our ability to succeed
- are a nation that gains strength from its foundation in the Treaty of Waitangi and in which we work in harmony to achieve our separate and collective goals
- are excellent at responding to global opportunities and creating competitive advantage
- are rich in well-founded and well-run companies and enterprises characterised by a common sense of purpose and achievement, which are global in outlook, competitive and growing in value
- derive considerable value from our natural advantages in terms of resources, climate, human capital, infrastructure, and sense of community
- cherish our natural environment, are committed to protecting it for future generations and eager to share our achievements in that respect with others
- know our individual success contributes to stronger families and communities and that all of us have fair access to education, housing, health care, and fulfilling employment.

New Zealand's options for sustainable development will be shaped by our changing population.



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PRINCIPLES FOR POLICY AND DECISION MAKING

The government recognises that its decisions should ensure the wellbeing of current and future generations. It will take account of the economic, social, economic, environmental, and cultural consequences of its decisions by:

- considering the long-term implications of decisions
- seeking innovative solutions that are mutually reinforcing, rather than accepting that gain in one area will necessarily be achieved at the expense of another
- using the best information available to support decision making
- addressing risks and uncertainty when making choices and taking a precautionary approach when making decisions that may cause serious or irreversible damage
- working in partnership with local government and other sectors and encouraging transparent and participatory processes
- considering the implications of decisions from a global as well as a New Zealand perspective
- decoupling economic growth from pressures on the environment
- respecting environmental limits, protecting ecosystems and promoting the integrated management of land, water and living resources
- working in partnership with appropriate Maori authorities to empower Maori in development decisions that affect them
- respecting human rights, the rule of law and cultural diversity.

The aim is to ensure the use of these operating principles in policy development. Infusing this way of thinking into the public sector will require a concerted effort from chief executives. It will also require government agencies to invest in capability building to ensure that integrated policy development occurs across social, economic, environmental and cultural spheres. A single-issue approach to decision making is unlikely to achieve the gains we are looking for.

Sustainable development must be at the core of all government policy. There are a number of mechanisms for achieving this. One will be the issuing of a Cabinet Circular to guide the public sector.

RELATIONSHIP WITH OTHER GUIDING DOCUMENTS

This programme of action is the third document issued by this government in order to focus and reorient government policy making and processes. *Growing an Innovative New Zealand* (the Growth and Innovation Framework), the *Key Government Goals to Guide the Public Sector in Achieving Sustainable Development* and *this Programme of Action* are consistent and mutually reinforcing in their approach.

The growth and innovation framework

The Growth and Innovation Framework, released in February 2002, sets out an approach for New Zealand to achieve higher levels of sustainable growth. This objective is part of the sustainable development approach set out in this document. The focus is on sustainability and positive outcomes over the longer term – not only in economic terms but also for social, environmental and cultural issues.

Given that sustainable development is a way of thinking and a process, it has an important role to play in underpinning the government's strategic frameworks, including growth and innovation. A focus on sustainability requires innovative thinking to ensure that economic growth yields positive outcomes in the other dimensions of sustainable development.

The government has identified its most important task as building the conditions for long-term and sustainable economic growth. The improved decision making signalled here will assist that task. An important aspect of the sustainable development approach is to ensure that connections between the various pieces of work and feedback loops are encouraged and understood.

One key issue is to ensure that the New Zealand business sector adopts sustainable business practices, as businesses in other countries are doing. This is a cross-cutting issue for all of the dimensions of sustainable development and some work is already under way.

Key government goals to guide the public sector in achieving sustainable development

Recently the government adopted a new set of goals to guide the work of the public sector. These are based on the goals issued early in the term of the last government. They are set out in Annex One. As before, they provide a frame of reference to focus policy and performance, and to help concentrate the efforts of the public sector to give effect to the government's programme. The goals provide a context and framework for the strategies that ministers develop and adopt in particular areas. By referring to sustainable development, they emphasise the need to see the goals as a whole, and to take into account the way the actions of any one department may affect any and all of the government's goals.

PARTNERSHIPS

“One of the major challenges facing the world community as it seeks to replace unsustainable development patterns with environmentally sound and sustainable development is the need to activate a sense of common purpose on behalf of all sectors of society. The chances of forging such a sense of purpose will depend on the willingness of all sectors to participate in genuine social partnership and dialogue, while recognising the independent roles, responsibilities and special capacities of each.”
(Agenda 21)

The purpose of the partnership approach for sustainable development is to:

- combine efforts and resources towards common aims
- share information and expertise
- understand different points of view
- make better decisions
- create more “win-win” outcomes.

Rather than being ends in themselves, partnerships aim to deliver the higher level social, economic, environmental, and cultural outcomes of sustainable development.

The partnership approach that government has taken means open relationships based on trust and understanding. While it is not always possible for the parties to reach agreement, there must always be a process for dialogue and co-operation. The government’s relationships with other sectors provide the basis for joint work on the programme of action. This commitment to partnership also means that government agencies will need to be better co-ordinated in their dealings with others. The government sector should be able to speak with one voice.

Action is required to give practical effect to this commitment to partnership. As well as undertaking joint work on the projects outlined below, the government expects that others will recognise the partnership approach as our normal way of doing business.

*Partnership is at
the heart of the
sustainable
development
approach.*



THREE. THE PROGRAMME OF ACTION

For the government, progress towards sustainability involves applying the sustainable development approach, improving policy and decision-making processes, and working with other sectors. The programme of action outlined below is a step along this path. It builds on recent strategies for biodiversity, energy, waste and other issues, as well as the new local government legislation, which gives local authorities a mandate to take the lead in achieving sustainable development locally. The programme of action will result in measurable progress, it will give more experience with the approach and it will have positive spin-offs for other issues and across the government sector. The government expects qualitatively better solutions than the current way of working and thinking is likely to produce.

Through this programme of action, the government is setting the direction and articulating its view about the outcomes it is looking for. The government wants to see progress on the issues, better co-ordination across the government sector and seamless delivery from government agencies.

The issues that are identified for this first programme of action are significant because they touch on one or more of the following elements of sustainable development:

- inter-generational effects on wellbeing
- persistent effects in the environment
- significant impacts across the social, economic, environmental, and cultural spheres that are difficult to disentangle.

Although they are all distinctly different, the issues of:

- water quality and allocation,
- energy,
- sustainable cities and
- child and youth development

have important linkages between them. They are all **complex issues**. We must learn to develop solutions that are better than trade-offs; that improve economic performance, for instance, *as well as* enhancing the quality of the environment and the way we live.

Innovation is a common thread with these issues.

The government is committed to sustainable growth based on innovation and a high-performance economy.

This requires making the most of our people and talents as well as getting much better value from resources like energy and water. It also involves removing the barriers to growth. There are pressures on resources like water but also on transport, waste and other systems in our major cities – especially in Auckland. We expect that taking a sustainable development approach on these issues will lead to more integrated and holistic thinking. This, in turn, should result in a quantum leap in the type of solutions we develop.

The issues also illustrate the need for **collaboration**.

Neither the government nor any single player can resolve these issues. On water, for instance, central government has a leadership role but other responsibilities for managing water resources are devolved to local authorities and others. Government has a major stake in power generation, but it has much less influence over the use of energy in the transport sector. And issues of child and youth development involve parents, families and communities first of all, but also education and employment, housing and health.

These are **issues we need to address now**, for both our current and future wellbeing. In some parts of the country the pressure on water resources is already becoming acute. We need to tackle our growing demand for energy and manage the increasing risk of dry-year power shortages. We need co-ordinated action now to address the urban-systems issues in Auckland and other cities.

The programme of action focuses effort on some key issues as we start applying the sustainable development approach. The experience we gain here will have benefits across the board. It will also help us crystallise the next set of issues and develop a new programme of action.

We must learn to develop solutions that are better than trade-offs; that improve economic performance, as well as enhancing the environment and the way we live.

3.1 QUALITY AND ALLOCATION OF FRESHWATER

Freshwater allocation and use, water quality issues, and water bodies of national importance are fundamental elements for New Zealand's sustainable development. There are a number of water-resource-management issues that must be addressed for us to sustain our economic growth, natural environment and heritage, and the health and wellbeing of our people.

OVERARCHING GOAL: *Adequate, clean freshwater available for all.*

DESIRED OUTCOMES

The programme of action seeks to achieve the following outcomes:

- freshwater is allocated and used in a sustainable, efficient and equitable way
- freshwater quality is maintained to meet all appropriate needs
- water bodies with nationally significant natural, social or cultural heritage values are protected.

WHY IS WATER AN IMPORTANT SUSTAINABLE DEVELOPMENT ISSUE?

Access to water has been a fundamental precondition for development in New Zealand. Clean, abundant water has been a key element of economic prosperity, health, environmental values, and cultural identity.

Our agricultural economy requires sufficient water at appropriate times. Water is also vital to the functioning of our communities: power generation, health, industrial processes, water-based recreation, and protection of natural heritage and fisheries, cultural values and mahinga kai. Water nurtures much of our indigenous biodiversity and provides valuable ecosystem services such as nutrient recycling, waste treatment, and climate regulation. Tourism is a growing part of the economy and our lakes and rivers feature prominently as tourism attractions.

ALLOCATING WATER IN A SUSTAINABLE, EFFECTIVE AND EQUITABLE WAY

In most parts of New Zealand water is plentiful but, in some areas, demand cannot be met at some times of the year. Without adequate supplies of clean water from our rivers, lakes and groundwater, sustainable economic growth and the wellbeing of New Zealanders would be compromised.

Land-based primary industries (for example, agriculture and forestry) produce 66 per cent of New Zealand's export income and contribute 20 per cent of GDP. Irrigated agricultural and horticultural land produces an extra \$1 billion annually over the best dryland options for the same land. The area of irrigated land in New Zealand has been approximately doubling every 10 years since the 1960s and this growth is placing increasing pressure on water resources. Irrigation uses 79 per cent of abstracted water. The potential for increased irrigation demand is high, as only 20 per cent of potentially irrigateable land is currently being irrigated.



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Regional councils have the prime responsibility under the Resource Management Act 1991 (RMA) for the allocation of water. While sustainable management under the RMA has been largely successful to date, there are questions about the ability of current resource management systems to respond to projected demands. Current systems have not optimised the economic and social returns from the use of our water resources and, arguably, have not achieved optimal environmental results. There are a number of impediments to addressing this. For example, the current first-in, first-served basis for considering resource consent applications may prevent a more strategic and efficient approach to water allocation and use.

MAINTAINING WATER QUALITY TO MEET ALL APPROPRIATE NEEDS

New Zealand has made significant progress in reducing direct discharges of human and agricultural sewage and industrial waste into our waterways, although the quality of some water bodies remains poor. In particular, the quality of many lowland streams, lakes, ground waters and wetlands in areas of intensive land use continue to fall below acceptable standards. Water abstraction, urban and industrial uses, intensive farming activities, rapid urban growth, discharges, and diffuse runoff into waterways and groundwater, all contribute to reduced water quality. The main issue is diffuse discharges, such as urban and agricultural runoff. But reducing these types of discharges is often difficult and complex.

PROTECTING NATIONAL HERITAGE VALUES

Ecosystems and the biodiversity they contain have a range of values (for example, providing food, decomposing waste, and cultural and intrinsic values) and these must be considered to ensure the costs of development do not outweigh the benefits. There is a risk that some valuable ecosystems and sites may be irreversibly degraded by development before the necessary protection measures can be put in place. Current water resource management systems are regionally focused and to date there has been limited national input.

The government's commitments to Maori require it actively to safeguard matters that are important to the wellbeing of Maori culture. Water has significant cultural value for Maori, who perceive it as having mauri (life essence) that can be easily degraded if water is diverted and polluted.

GOVERNMENT LEADERSHIP

Water issues are complex and involve many interests. Responsibilities for most of the functions related to water belong to players other than central government. Because the issues are complex and it is difficult to reconcile the diverse interests, it is easy to lose sight of the national perspective on specific local or regional issues. An important aspect of government's role is to safeguard values and assets that are of national importance and to ensure they are not compromised.

PARTNERSHIPS

There are a significant number of stakeholders at the local, regional and national levels with an interest in water issues. They include local government, Maori, domestic and recreational users, and the agricultural, energy, and conservation sectors. There is a need for robust decision making, particularly by regional councils, who are responsible for the key resource-management decisions and consideration of the values of the different stakeholder groups. Strong partnerships between local government, central government agencies, industry, Maori, and the community are therefore desirable to create innovative and enduring approaches to managing our water resources.

THE PROGRAMME OF ACTION

A comprehensive and integrated work programme is required, if we are to improve the allocation and quality of our water resources to support New Zealand's sustainable development. The work programme will focus on addressing key impediments to achieving the three key outcomes for freshwater. For each of these outcomes there will be a range of projects, as outlined below. These will be implemented through new policies and legislative change as necessary. Equity, costs and benefits will be considered. Decisions will be based on evidence from appropriate science, research and statistics. Best practice and the development of decision support systems will be encouraged. The establishment of partnerships and consultation processes will be supported.

A holistic approach will be used, recognising the integrated nature of water issues: one that considers water allocation and quality right through from individual land holdings, catchments, and regions up to the national level. This approach also ensures co-ordination with parallel strategies and work programmes for biodiversity and energy.

Key work programme elements related to each outcome include:

Freshwater is allocated and used in a sustainable, efficient and equitable way

- Identifying better and more strategic ways of conserving and allocating freshwater from the resources available.
- Identifying and implementing means of addressing water shortages.
- Identifying and protecting in-stream values and needs in freshwater allocation.
- Maximising the sustainable, efficient and effective use of freshwater.
- Optimising economic and social outcomes from freshwater at a regional and national level.

Freshwater quality is maintained to meet all appropriate needs

- Addressing minimum standards for freshwater quality and ensuring implementation of these standards.
- Addressing drinking-water quality through legislation and standards.
- Preserving/improving current water quality and identifying and mitigating sources of freshwater contamination.
- Establishing and implementing industry and sector partnerships to improve freshwater quality.

Water bodies with nationally significant natural, social or cultural heritage values are protected

- Reviewing the current approach to identifying and protecting nationally significant water bodies.
- Addressing issues of at-risk nationally significant water bodies. (Lake Taupo is an example where past and current activities are threatening the long-term water quality, status and sustainable development of this national icon – active involvement of all stakeholders will be pursued where iconic national water bodies are threatened.)

*Clean abundant
water is essential
to economic
prosperity, health
and the
environment and
cultural identity.*



3.2 ENERGY

Energy is one of the central issues for sustainable development because our modern society depends on it and it touches all aspects of our lives. Our need for energy – and our use of electricity, gas, coal, and fuel for transport – has impacts on the environment and the economy, as well as shaping our domestic and social lives. There are strong links between growth in energy use and economic development, and there are also impacts on the environment that result from energy production and use. In addition, there are growing pressures on the available energy supply. We must find ways of growing as a nation that manage the demand for energy and limit the damage to our environment.

The Government is committed to a sustainable and efficient energy future for New Zealand.

OVERARCHING GOAL: *To ensure the delivery of energy services to all classes of consumer in an efficient, fair, reliable and sustainable manner.*

DESIRED OUTCOMES

The programme of action seeks to achieve the following outcomes:

- energy use in New Zealand becomes progressively more efficient and less wasteful
- our renewable sources of energy are developed and maximised
- New Zealand consumers have a secure supply of electricity.

WHY IS ENERGY AN IMPORTANT SUSTAINABLE DEVELOPMENT ISSUE?

New Zealand's total primary energy consumption is increasing by around 2 per cent each year. Fossil fuels account for about 65 per cent of our total energy use and the transport sector accounts for about 40 per cent of this. Transport is the sector that is growing most rapidly. There are opportunities to conserve and use energy more efficiently, and spend less on energy as a result. We also need to increase our use of renewable energy, recognising that this form of energy is likely to be more expensive than present costs.

Greater use of renewable energy for transport instead of imported oil would give us more energy security for the future. It would also help mitigate climate change. Some renewable fuels, such as hydrogen, have much lower health impacts. A study commissioned by the Ministry of Transport estimated that currently around 400 people over the age of 30 die prematurely each year from exposure to vehicle emissions.

The cost of energy is an important issue, because it is a component of the prices we pay for any goods and services. It is also a significant issue for some families who cannot afford adequate heating. Health and wellbeing are affected by the coldness and dampness of many of our homes, which fall below the temperature level recommended by the World Health Organisation.

We make continual changes in our energy use. Coal supplied up to 75 per cent of the country's primary energy in the 1920s, but now provides less than 10 per cent. Oil and gas may have both peaked in terms of their share of primary energy supply. Electricity, generated mainly from hydro and gas, has emerged as a major form of consumer energy. Demand for electricity, from diverse sources including increased use of renewable supplies, is likely to increase.

IMPROVING ENERGY EFFICIENCY AND CONSERVATION

Using energy more efficiently, that is, using less energy for the same amount of production, heating, light and transport, is a cost-effective way of achieving sustainable development.

At present the overall technical efficiency of energy use averages 25 per cent. There is scope for ongoing, cost-effective improvements in efficiency across all sectors. These improvements should deliver immediate and realisable gains for the environment, the economy and people's welfare.

After detailed consideration within the framework of the National Energy Efficiency and Conservation Strategy, the government has adopted a target of at least a 20 per cent improvement in economy-wide energy efficiency by 2012.

CONTINUING THE TRANSITION TO RENEWABLE SOURCES OF ENERGY

Renewable energy is a more sustainable energy source because it does not rely on the consumption of finite resources. Reduction in the combustion of fossil fuels is an effective way of reducing the production of carbon dioxide, a major greenhouse gas.

New Zealand already has one of the highest rates of renewable energy supply in developed countries (29 per cent of consumer energy, compared with 6 per cent for Australia and the US and 25 per cent for Sweden). The rapid development of technologies to harness renewable energy means that the cost of electricity from wind, for example, has halved in the last decade and at favourable sites is now cheaper than electricity production from coal. With suitable encouragement, other renewable energy technologies can also become more cost effective. For example, New Zealand has a very large woody biomass resource that will increase over the next decade: this is expected to provide large quantities of waste wood that can be used to produce energy.

There is also potential to foster internationally competitive renewable energy industries to meet the growing global demand for renewable energy technologies. Other countries are actively pursuing these opportunities. For instance, targeted government-industry programmes and goal setting has enabled Denmark to become the world's leading wind-power technology exporter. New Zealand has the opportunity to develop its renewable energy industries.

There are limits on the development of renewable energy supplies. Cost is an issue, even though the technology is becoming cheaper. There are few rivers remaining that are suitable for hydroelectric development, and there are competing interests in the water resources. And there are other issues to be considered in relation to wind farms and other forms of renewable energy.

The government has adopted a target of increasing the renewable energy supply by 30 petajoules of consumer energy by 2012. This would reverse the current decline in the share of total energy from renewable energy by lifting its contribution from 29 per cent to 31 per cent of our total energy use.

SECURE ACCESS TO ENERGY

New Zealand is facing issues of security of energy supply, and security of distribution. As an importer of fossil fuels, we are exposed to supply uncertainties and price fluctuations on the international market. Our hydroelectricity supply has always been somewhat variable, because it is dependent on the weather for river flow and the volume of water stored for power generation.

In addition, we are experiencing a relatively rapid change from having surplus generating capacity to a tight supply and a pressing requirement to build new capacity. With the depletion of the Maui gas field, we are also moving to a tight gas supply involving multiple and relatively expensive fields after having plentiful availability of cheap gas (which has also provided a premium fuel for electricity).

New Zealand faces the need to:

- build new generating capacity to meet the growth in electricity demand
- improve our ability to deal with the risk of dry years, especially given the expected depletion of the Maui gas field
- improve the way we manage energy demand and energy efficiency.

At the regional level of electricity supply, there are, in some places or at some times, line constraints relating to the capacity and quality of electricity, and the maintenance of some rural lines.

There are access issues at the level of individual households, especially in some rural areas, and for poor families. A small but significant number of New Zealand households do not have access to adequate energy supplies to ensure the wellbeing of the occupants. Energy deprivation is most often associated with other deficiencies – such as water supply, sanitation and weatherproofing – that have adverse effects on health and wellbeing. Integrated actions are needed.

It is government policy that energy prices should reflect the full costs of supply including environmental costs. Fairness in pricing is also sought, so that the least advantaged in the community have access to energy at reasonable prices. Reasonable certainty about prices is a necessary precondition to continuing investment, and therefore jobs and wellbeing.

*We must find
ways of growing
as a nation that
manage the
demand for
energy and limit
the damage to
our environment.*



SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND

PROGRAMME OF ACTION

GOVERNMENT LEADERSHIP

The government is taking an active leadership role on energy, by developing and regulating the energy market in New Zealand and as a major player in energy generation. Through the Energy Efficiency and Conservation Authority it is taking the lead in promoting efficient energy use. And through research funding and the growth and innovation framework, it is encouraging the development of new technologies and the move to renewable sources of energy.

PARTNERSHIPS

- industry – both consumers (including major users) and suppliers
- Local Government New Zealand and local authorities
- research and development organisations
- NZAID and Pacific Islands World Summit on Sustainable Development (WSSD) partnerships
- WSSD Renewable Energy and Energy Efficiency Partnership and the WSSD “Declaration on the way forward on renewable energy”
- interest groups, communities and consumers.

THE PROGRAMME OF ACTION

The Government’s approach to energy policy is outlined in its Energy Policy Framework, released in October 2000. The Policy Framework covers energy efficiency and renewable energy, climate change, electricity reforms, the gas sector, and transport. The actions required in each of these areas have been detailed in documents such as the *National Energy Efficiency and Conservation Strategy* (NEECS), the *Climate Change Work Programme*, the *Electricity Policy Statement*, and the forthcoming *Gas Policy Statement*. In addition, the *Energy Policy Framework* sets out the overall outcomes that the government is seeking. These are:

- environmental sustainability, which includes continuing improvements in our energy efficiency and a progressive transition to renewable sources of energy
- costs and prices to consumers which are as low as possible, while ensuring that prices reflect the full costs of supply, including environmental costs
- reliable and secure supply of essential energy services
- fairness in pricing, so that the least advantaged in the community have access to energy services at reasonable prices
- continued ownership of publicly owned assets.

A variety of actions related to energy use and supply, detailed below, need to be taken. A wide variety of organisations contribute to the achievement of the outcomes for energy, including central and local government, industry and communities.

Energy use in New Zealand becomes progressively more efficient and less wasteful

- Implementing the National Energy Efficiency and Conservation Strategy to meet the objectives of:
 - *continuing improvement in our energy efficiency* (with a high-level target of an improvement of at least 20 per cent in economy-wide energy efficiency by 2012);
 - *progressive transition to renewable sources of energy* (with a high-level target to provide a further 30PJ of consumer energy by 2012).
- Adopting targets for continuing improvements in energy efficiency beyond 2012, subject to the completion of a satisfactory review in 2010 of progress made in this decade.

Our renewable sources of energy are developed and maximised

- Developing and implementing mechanisms to achieve the NEECS renewable energy target of 30 petajoules.
- Supporting research and innovation in renewable energy technology.
- Establishing a timetable and targets for the transition to renewable energy beyond 2012, subject to the completion of a satisfactory review in 2010 of progress in this decade.

New Zealand consumers have a secure supply of electricity

- Improving the modelling and forecasting of the risks to supply, especially for dry years.
- Improving energy efficiency and peak-load management.
- Improving whole-system efficiency for the electricity system, ensuring that there is investment in the optimum mix of demand-side management, reduced transmission losses, upgraded transmission capacity, and additional generation capacity.
- Developing conservation options for dry years, involving both electricity producers and consumers.
- Promoting gas exploration and reviewing the regulatory regime for gas to improve market institutions.
- Ensuring sound governance in the electricity industry, including establishing accountability and monitoring mechanisms that reflect outcomes in the government’s *Electricity Policy Statement*.

3.3 SUSTAINABLE CITIES

Cities are essential places to achieve sustainable development because most people live there. People are at the centre of concerns for sustainable development – they are entitled to a healthy and productive life in harmony with nature. Cities are increasingly the engines of economic growth. Many of the specialised services and facilities essential to a modern economy (such as information technology, financial markets) require the critical mass of economic activity, infrastructure and services present only in urban centres. Cities must also be good places to live: they should support and promote the social wellbeing of their inhabitants. Each city has its own cultural expressions. Each contributes to our national identity, historic heritage and cultural wellbeing.

OVERARCHING GOAL: *Sustainable cities – our cities are healthy, safe and attractive places where business, social and cultural life can flourish.*

DESIRED OUTCOMES

The programme of action seeks to achieve the following outcomes:

- cities as centres of innovation and economic growth
- liveable cities that support social wellbeing, quality of life and cultural identities.

While these outcomes are relevant to all urban areas in New Zealand, the government will give particular priority to addressing them in Auckland. With its rapid population growth, cultural diversity and economic dynamism, many of the challenges for sustainable development have their strongest expression here. The lessons learned in Auckland will also be useful for other centres.

WHY ARE CITIES IMPORTANT PLACES TO ACHIEVE SUSTAINABLE DEVELOPMENT?

Over 85 per cent of New Zealanders live in towns and cities. This makes cities an essential focus for government action on sustainable development. Auckland is New Zealand's largest metropolitan area, with close to one third of our population. It has the strongest base for economic growth and innovation and some of the most significant opportunities for improvements in social and environmental wellbeing. Through this programme of action, the government signals its intention to give priority to the sustainable development of Auckland.

New Zealand's largest urban communities face increasing challenges over the sustainable production and consumption of energy, water and other resources. They have a large impact on the physical environment and on the quality of air and water. A more integrated approach is needed in order to tackle these issues.

Central government is but one of the players in achieving sustainable development in urban areas. Government will focus its attention on better integration across the public sector and in its relationships with other parties. It will also work to remove barriers (including statutory barriers) in order to empower city authorities to take appropriate control of sustainable development.

*Over 85
per cent of
New Zealanders
live in towns
and cities.*



SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND

PROGRAMME OF ACTION

BETTER ARRANGEMENTS FOR INTEGRATED DECISION-MAKING

Urban local authorities (and related institutions such as district health boards) are the appropriate agencies to lead the sustainable development of cities. But there are constraints that limit their ability to make system-wide, integrated decisions.

The complex issues inhibiting the sustainable development of Auckland are described in the *Auckland Regional Growth Strategy 1999*, prepared as required by the Local Government Act, and focussed on anticipated growth. In addition, the *Auckland Regional Land Transport Strategy 2003* gives effect to transport aspects of the Growth Strategy; and the *Auckland Regional Economic Development Strategy 2002* seeks to promote actions that will position Auckland as an influential and successful, sustainable world city. This work provides a starting point for government action.

Government has already taken steps to assist cities. The recently enacted Local Government Act 2002 provides a new purpose for all local authorities which is based on sustainability principles. The purpose of local government includes democratically promoting the social, economic, environmental, and cultural wellbeing of communities, now and for the future. The government and metropolitan local authorities have been increasingly working together to address issues of common concern. Second, the establishment of the Regional Development Partnerships Programme provides a new engagement with cities and regions. Third, the creation of a new ministerial portfolio of Urban Affairs signals the government's intention to address the fragmentation of urban policy at the national level, and to build an understanding of urban issues within government. Fourth, the establishment of a ministerial portfolio of Auckland Issues indicates the government's recognition of the magnitude and priority of development issues there.

ECONOMIC DEVELOPMENT AND COMPETITIVENESS

Cities are centres of wealth creation. They compete to attract and retain wealth-creating enterprises – but many activities and businesses that create wealth can relocate to improve their performance.

Competitiveness can be built by attention to innovation, market development and the entrepreneurial culture, a skilled and responsive workforce, and responsive local and central government. These attributes on their own are insufficient, however – competitive cities also need the human qualities of vibrant social and leisure opportunities, support for cultural identity, pride in heritage, and a healthy natural environment.

IMPROVED PROVISION OF INFRASTRUCTURE AND SERVICES

Urban infrastructure (water supply, wastewater treatment, transport, energy, and housing) involves huge investment and it is difficult to change. It is vital to sustainable development. In order to ensure that urban infrastructure and services are sustainable, four issues need to be examined:

- the maintenance, security and appropriateness of existing infrastructure
- the need for new infrastructure and services in rapidly growing areas
- funding for infrastructure
- integrated planning.

IMPROVED URBAN DESIGN

There is growing public pressure for improvements in the design of our cities. Urban design is a core sustainable development issue because it is often intergenerational in effect; it has a strong influence on community identity and quality of life and it contributes to a city's economic efficiency and competitiveness.

Urban design refers to the physical arrangement, appearance and functioning of cities, and the relationship of these to the physical environment. Good design is in harmony with the natural and cultural landscape. It requires a broad approach to incorporate heritage, culture and community. It is participatory, but currently needs to be championed by government and other players.

Cities that give priority to cultural development are seen as more socially cohesive and more economically dynamic and therefore more desirable places to live. Cultural opportunities improve the quality of city life and are one of the deciding factors in settlement patterns. Developing culture and heritage opportunities will contribute to positive urban transformation in Auckland, as it has done in Wellington, Christchurch, Dunedin, Napier and Nelson.

Culture and heritage are sources of social capital and can help address the social problems that are seen most acutely in Auckland. People who are confident in their cultural identity are more likely to accept diversity and to contribute to the city's social cohesion.

In New South Wales, the state government has developed an urban design charter as a way of focusing effort. The charter, which has been signed by public-sector agencies and corporations:

- encourages government agencies to show leadership in creating high-quality towns and cities
- explains how urban design achieves this
- defines roles and responsibilities
- emphasises collaboration between government agencies
- promotes a set of strategies for achieving the goals.

Through the Charter, the signatories show their commitment to the achievement of high-quality urban environments and acknowledge their roles and responsibilities in achieving this.

SOCIAL WELLBEING, CULTURAL IDENTITY AND THE QUALITY OF THE ENVIRONMENT

While many aspects of social life and conditions in New Zealand are improving, an unacceptable number of people continue to experience poor outcomes. These people are more likely to live in cities and to be young, poorly educated, living in sole-parent families, and to be Maori or Pacific peoples or from ethnic minority groups. The greatest potential for change is in Auckland because of the number and concentration of people there who are disadvantaged.

Investment in good outcomes for children and young people is key to New Zealand's urban sustainability. Today's children are the workforce and parents of tomorrow. Their success is important for the wellbeing of future generations and for ensuring we will be able to support an ageing population. Priorities for social development in Auckland might include integrated social services for disadvantaged neighbourhoods; improving housing conditions (particularly for families with children); improving the participation of young people in education, cultural opportunities, training, and employment; and improving settlement outcomes for new migrants and refugees.

The environmental degradation that has accompanied urbanisation has had direct impacts on health and wellbeing, and adverse effects on wealth creation and the competitiveness of cities. Further growth need not cause further degradation. In sustainable cities, the growth process is not tied to continuing environmental harm; rather, the two processes are "decoupled". Each individual, household, institution and business uses energy, water and clean air more efficiently and with less waste.

These are issues for New Zealand as a whole but they are most acute in our big cities. Increasing waste production, poor energy efficiency (especially for transport), traffic congestion, development pressures on land and urban areas, and air, water and noise pollution are significant barriers to sustainability. Overcoming these barriers, however, offers major opportunities for innovation, business development, and social, economic, environmental and cultural gains.

*The design of our
cities and towns
has a strong
influence on
community
identity and
quality of life.*



SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND

PROGRAMME OF ACTION

GOVERNMENT LEADERSHIP AND PARTNERSHIPS

Government has provided leadership by creating a new relationship with local government and business through its programmes of local government and health statutory reform and its development policies. The task now is to give practical effect to these opportunities, to advance sustainable development by identifying innovation and best practice, and to disseminate them throughout New Zealand. In particular, the government intends to develop partnerships and facilitate innovation and competitiveness in Auckland.

THE PROGRAMME OF ACTION

Cities as centres of innovation and economic growth

- Working collaboratively with local authorities to improve the legislative arrangements and statutory controls on planning, development and service delivery for urban areas, giving priority to Auckland and focusing in particular on:

- transport infrastructure and services (roads, rail, ferries, cycleways, footpaths and walkways) and innovative approaches to peak traffic congestion
- the removal of legislative impediments to sustainable medium- and high-density housing
- improved whole-of-government co-ordination and engagement.

Other priorities include:

- immigration and improved settlement outcomes for migrants
- enterprises that create sustainable employment
- cultural development of cities, including cultural industries and employment
- land use and transport connections, particularly for urban redevelopment and greenfields development
- infrastructure investment planning.
- Working with regional economic development agencies to identify actions that central government can take to remove barriers to the implementation of their sustainable-development-based strategies, and to assist innovation and growth. Addressing issues identified in the *Auckland Regional Economic Development Strategy* will be a priority, with those in other urban areas to follow.

Liveable cities that support social wellbeing, quality of life and cultural identities

- Working collaboratively with local government, design professionals, and cultural, heritage and environmental interests to develop a New Zealand Urban Design Charter. The charter should:
 - support the health and social wellbeing of urban citizens
 - take a holistic approach that incorporates urban cultural and community identities, historic heritage and arts infrastructures

- incorporate collaborative urban design in project planning and delivery
- recognise the economic and social benefits of cultural investments
- recognise the diverse benefits of historic heritage preservation, including cultural landscapes, intangible values and intergenerational benefits
- consider natural systems
- respond to local characteristics
- support economic activity
- meet the diverse needs of different interest groups
- encourage investment in urban design skills and training.
- Developing environmental standards, (for air quality, water quality, noise and waste) and a timetable for their implementation, in consultation with urban authorities.
- Developing a methodology, and committing to the collection of data and indicators to record the state of social and environmental wellbeing of urban areas, in collaboration with urban authorities.
- Working collaboratively with local government and business and communities, particularly in Auckland, to identify and address cross-cutting, hard-to-tackle social development issues that are a priority for the region. Priorities might include:
 - Implementing integrated social services for disadvantaged neighbourhoods
 - improving housing, particularly for families with children
 - improving participation of young people in education, training and employment
 - improving settlement outcomes for new migrants and refugees
 - planning for health infrastructure.

KEY ACTION:

CENTRAL GOVERNMENT CO-ORDINATION

- The development of mechanisms to ensure better co-ordination and integration across ministerial portfolios and government agencies for issues of urban sustainable development, particularly in Auckland. These should include the identification of a single clearing-house for whole-of-government and cross-cutting issues, and a process for determining a work programme of priority issues.
- Key ministers will meet with metropolitan mayors in 2003 to consider new partnership and consultation mechanisms for the implementation of this programme of action.

Children and young people need a sense of belonging and positive connections with others in order to reach their full potential.

3.4 INVESTING IN CHILD AND YOUTH DEVELOPMENT

Positive child and youth development is good for everyone. Ensuring the wellbeing of children and young people brings benefits to New Zealand as a whole, including a skilled workforce, a healthy population and capable parents of the next generation. Children and young people are the diverse group of New Zealanders between the ages of 0 and 24 years. How we value and look after our children and young people is an important reflection on the state of our society. It is also a predictor of how we will fare in the future.

Healthy child and youth development occurs when young people have the opportunities and support to reach their full potential, and they can contribute to New Zealand society in a way that is valued and respected. It depends on young people having a sense of belonging and positive connections with others. While the majority of New Zealand children and young people are doing well, a significant proportion are not. A particular focus is required on improving outcomes for the children and young people who are disadvantaged.

In 2002 the government launched two key strategies relating to child and youth development: *New Zealand's Agenda for Children and the Youth Development Strategy Aotearoa*. They describe a whole-of-government approach for achieving positive child and youth development.

OVERARCHING GOAL: *All children and young people have the opportunity to participate, to succeed and to make contributions that benefit themselves and others, now and in the future.*

DESIRED OUTCOMES

The programme of action seeks to achieve the following outcomes for the children and young people currently experiencing poor outcomes:

- supportive families
- adequate material living standards
- good health
- success at all stages of education and transition into employment
- lives free from violence and crime.

WHY IS CHILD AND YOUTH DEVELOPMENT A SUSTAINABLE DEVELOPMENT ISSUE?

"The positive implications of successful young people go on for many years. The benefits are intergenerational – young people who experience success and wellbeing themselves are more likely to be parents who bring up their children to also be successful and productive."¹

The large cohort of people who will soon be retiring will be replaced by a smaller cohort of working-age people. At present, a significant proportion of the future workforce is under-prepared for the demands of the workplace and the knowledge economy. One of the steps to a sustainable future is raising the quality of the current and future workforce through knowledge and skill acquisition, and by addressing social and health barriers. We must take the opportunity to invest in children and young people because they are the parents, workers and adult citizens of the future. Skilled workers in sustainable employment are essential for funding the services associated with an ageing population.



SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND

PROGRAMME OF ACTION

Economic growth

Positive child and youth development is aligned with the government's strategic goals of economic growth and innovation. Reducing the number of children and young people without foundation skills and qualifications is essential if the future workforce is to have the skills it will need to participate and contribute to the economy.

Where risk factors can be identified, early intervention is often more effective than intervening later, after issues may have escalated. When children and young people develop positively, the need for expenditure on health care, crime, police, and welfare benefits is likely to be less.

Social wellbeing

Social development must occur along with economic development. The benefits to society of positive child and youth development go beyond what can be measured in dollars. As well as being an important social outcome in its own right, positive child and youth development will have wider benefits for families/whanau and for communities. By involving young people in the decisions that affect them, good relationships are built, more effective solutions are reached, and young people learn the rights and responsibilities of citizenship.

Cultural strength and diversity

Culture is partly about valuing tradition, but it is also one of the most dynamic and innovative aspects of society. Children and young people are the link between the cultural traditions of the past and the innovations of tomorrow. They are vibrant participants, consumers and generators of arts, culture and innovation. Relationships based on mutual respect and understanding between young people and older generations are the basis for passing on traditional culture. Such relationships are more likely to be constructive when young people have positive life experiences. Encouraging and supporting the positive expression of young people's pursuit of novelty and creativity can enrich the cultural life of all communities.

Healthy environments

Children and young people are greatly influenced by the environments in which they live, play, learn and work. They also influence these environments in both positive and negative ways. Diverse, stimulating and safe environments enhance development by providing opportunities for recreation, exercise, and learning. Providing spaces in urban centres that foster child and youth development is important and is an area where communities and local government play valuable roles. In addition, fostering an appreciation of New Zealand's unique natural environment among children and young people helps to ensure its protection and enhancement for future generations.

ADEQUATE MATERIAL LIVING STANDARDS

The recent Living Standards Survey shows that approximately 29 per cent of children suffer some restrictions on their standard of living and about six per cent have a very restricted standard of living². Economic constraints reduce the quality of children's lives and can have an adverse effect on their developmental outcomes – in particular, their physical and cognitive development, their readiness to learn, and their health. In the long term this can lead to unemployment and low earnings as adults, and to a higher risk of disadvantage among their own children. The consequences for child development are greater when children experience hardship over longer periods, and when it occurs in early childhood.

Improved child wellbeing will require targeted interventions. Addressing the issue requires a multi-pronged approach that tackles both the long-term causes of hardship and addresses the immediate needs of families. One of the key issues is the relatively high number of children in New Zealand living in jobless households. Promoting sustainable employment among parents requires a focus on ensuring access to affordable quality childcare, addressing the lack of foundation skills among young people and parents, and improving the financial returns from work.

SUCCESS AT ALL STAGES OF EDUCATION

New Zealand has high overall participation rates for early childhood education but lower rates for Maori and Pacific Island children and children in rural areas. Improvements are needed in the quality of early childhood education services for many children.

Secondary students' average achievement is high by international standards but there are wide disparities at all ages. Too many students leave school without upper secondary qualifications, especially Maori and Pacific Island students and students from low-income households. Young people lacking foundation skills are less likely to go on to further education. They are also more likely to be unemployed as adults, to have low incomes when they are working, to be involved in criminal offending, to suffer long-term physical and mental health problems, and to become parents as teenagers.

Seventeen per cent of school leavers in 2001 had no qualifications. This proportion has not changed over the last ten years. Young men, and Maori and Pacific Island students were over-represented in this group.

² The results are drawn from the Ministry of Social Development's (MSD) survey of living standards of New Zealanders and analysis of Household Economic Survey data. For more detail, see MSD's Briefing to the Incoming Minister 2002, Improving Wellbeing for all New Zealanders and the Social Report 2001, at <http://msdwebsitedev/publications/index.html>

³ This estimate is based on data from the Household Economic Survey (HES), the Household Labour Force Survey (HLFS) and the 1996 Census.

IMPROVING PARTICIPATION IN EDUCATION, TRAINING AND WORK

At any given time, between 10 and 17 per cent of 15-19 year olds are not in formal education, training or work.³ The rate of non-participation among young people is higher today than in the mid-1980s. New Zealand appears to have relatively high rates of non-participation compared to other OECD countries. The number of 15-19 year olds will rise significantly over the next decade.

Some young people experience long periods of non-participation. This can result from – and compound – poor developmental outcomes, leading to unemployment and low earnings later in life. Low educational attainment, poor physical and mental health, and teenage parenthood are all associated with non-participation. In addition, the quality of New Zealand's youth labour market appears to have deteriorated compared with other age cohorts and other countries.

THE HEALTH OF CHILDREN AND YOUNG PEOPLE

The infant⁴ death rate in New Zealand has declined significantly over the last 40 years. New Zealand has had a relatively high infant death rate, in part because of a high incidence of sudden infant death syndrome (SIDS). Over the last few years the rates of SIDS and infant mortality in general have declined. Ethnic disparities remain, however, with higher death rates for Maori and Pacific infants.

After declining from 1991-1995, the rate of hearing impairment among new school entrants has remained relatively static. In 1999/2000 the rate was 7.7 per cent. Among Maori and Pacific children, the rate is much higher, at 13.1 per cent and 16.4 per cent respectively.

Around a third of deaths among children and young people are due to suicides and another third are the result of motor vehicle crashes. New Zealand has one of the highest youth suicide rates in the OECD. Although youth death rates for motor vehicle crashes have decreased markedly over the last decade, New Zealand still has a relatively high youth death rate by international standards. Young men have higher rates of suicide and accidental death than young women, and Maori have higher rates than non-Maori.

New Zealand's teenage birth rate is high in relation to other developed countries. In 2001 there was an average of 8.6 births per 1,000 young women aged 13-17. The rate for young Maori women is significantly higher than for other ethnic groups at 21.9 births per 1,000, although these differences are decreasing.

CHILDREN AND VIOLENCE

Violence in children's lives includes child abuse, sexual abuse, witnessing family violence, violent offending by young people, bullying and victimisation, discrimination, and a lack of personal safety in the neighbourhood and community⁵. In the year to June 2000, 6,833 children were assessed by Child, Youth and Family as being abused or neglected (6.9 children for every 1,000 under 17 years of age, and 12 per 1,000 for Maori). There has been little change in abuse rates in the last three years.

OFFENDING AMONG CHILDREN AND YOUNG PEOPLE

Boundary testing is a normal behaviour for children and young people and can often result in minor or sporadic offending – but there is a minority of children and young people for whom offending behaviour does persist. This minority is likely to have multiple disadvantages and to be responsible for a disproportionate number of offences. Often they are children when they first offend, and this may not have been responded to in an adequate way at the time. The greatest scope for improving youth offending outcomes is in dealing with child offenders (those aged under 14 years) and improving the quality of responses to serious and persistent young offenders.

*A particular
focus on
improving
outcomes for the
children and
young people
who are
disadvantaged.*



⁴ Under one year of age

⁵ Agenda for Children, Ministry of Social Development, 2002

SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND

PROGRAMME OF ACTION

TARGETED INTERVENTIONS FOR CHILDREN AND YOUNG PEOPLE WITH MULTIPLE RISK FACTORS

Up to 5 per cent of children and young people live in families with multiple risks such as problems with mental or physical health, parental alcohol or drug abuse, lack of parenting skills, domestic violence, criminal activity, and debt and economic hardship. The best long-term improvements in outcomes for children appear to come from parent and child, mixed delivery, high-intensity programmes targeted at multiple-risk families. Currently only a small percentage of multiple-risk families receive that form of intervention. Only 18 per cent of the families who could potentially receive Family Start services are doing so.

LEADERSHIP AND PARTNERSHIPS

The determinants of poor child and youth development outcomes are complex: genetics, families/whanau, schools, peers, communities, and employers all play their part and have different effects during a young person's life. Government is only one player in a complex equation. Government departments need to be able to work with all the players who influence child and youth development outcomes. Ideally this should involve a whole-child or youth-development approach, with service packages customised to suit the development needs of particular individuals. Where possible, children and young people themselves should also be involved in decisions affecting their future wellbeing.

THE PROGRAMME OF ACTION

To be effective, initiatives to address poor outcomes need to take whole-child and youth-development approaches as described in the *Agenda for Children* and the *Youth Development Strategy*. This involves co-ordinated policies and interventions that address the particular needs of the child or young person.

Supportive families

- Investigating the enhancement and extension of high-intensity early-intervention parent and child support programmes (such as Family Start) for the most disadvantaged.
- Identifying the most effective, efficient and appropriate means of supporting community infrastructures and activities that educate and support parents and whanau.
- Establishing a the Family Commission.

Adequate material living standards

- Reviewing family income assistance (including the childcare subsidy) to improve support for low-income families with children and promote sustainable employment for low-income parents.
- Reviewing the capacity of housing assistance policies to support low-income families' access to affordable, appropriate and healthy housing.

Good health

- Monitoring individual infants' progress by implementing Well Child and immunisation checks.

- Implementing Healthy Housing initiatives to reduce overcrowding in areas with high incidence of meningococcal and other crowding-related illnesses.
- Extending coverage of school-based health services.
- Implementing the Sexual and Reproductive Health Strategy, including actions to prevent unwanted teenage pregnancy.
- Improving access to primary health care for school-aged children and young people.

Success at all stages of education and transition into employment

- Improving access to quality early childhood education for children from low-income families.
- Investigating options to address health and development barriers to children's learning.
- Implementing approaches shown to be effective in improving outcomes for under-achieving students at all levels of schooling, including NCEA.
- Investigating options for improving transitions for at-risk students from school to further education or sustainable employment, including:
 - improving the co-ordination of services for young people at risk of poor transitions
 - expanding the opportunities for further education and training through work-based settings (such as Modern Apprenticeships, industry training, Gateway).
- Ensuring that parents with low levels of education and skills have improved opportunities to build their foundation skills/literacy education.

Lives free from violence and crime

- Running a public education strategy over an extended period on alternatives to physical punishment of children.
- Developing and implementing minimum standards for identifying and responding to situations of family violence for people working with children and families – such as teachers, health professionals, and social workers.
- Implementing the *Care and Protection Blueprint* to improve quality and co-ordination of care and protection services, including:
 - developing a government investment strategy for care and protection services
 - addressing issues facing the care and protection workforce
 - identifying and publicising good practice in the delivery of care and protection services.
- Implementing inter-agency responses to young offenders to ensure a co-ordinated response to risk factors in multiple spheres of children's and young people's lives.
- Improving safety in schools and communities by promoting safe-school cultures and co-ordination between anti-bullying initiatives and broader crime-prevention strategies.

3.5 MEASURING PROGRESS AND UPDATING THE PROGRAMME OF ACTION

Enhanced monitoring and review systems and sustainability indicators are needed to assess our progress towards sustainable development goals.

Government is committed to measuring progress towards sustainable development, as a means of reporting to New Zealanders on the effectiveness of actions taken, of providing insights into policies and actions, and of allowing comparisons of the quality of life in New Zealand over time and with other countries. This work builds on a long history of the collection and dissemination of good-quality statistics and other performance measures by government, local government and other agencies.

Recent developments include the preparation of indicators of wellbeing at the local level (see for instance, *The Quality of Life in New Zealand's Six Largest Cities*) and at the national level (see *The Social Report*, the Environmental Performance Indicators and the experimental national indicators of sustainable development published in *Monitoring Progress towards a Sustainable New Zealand*). At the level of the individual enterprise there has been a great deal of progress in sustainability reporting, by government, local government and businesses. A whole-of-government trial of triple bottom line reporting has been undertaken, resulting in advances in the methodology, accounting and reporting on the sustainability of the operations of departments, councils and businesses.

WHY IS MEASURING PROGRESS IMPORTANT TO SUSTAINABLE DEVELOPMENT?

To assess our progress towards sustainable development we need information that sums up the key features of social, economic, environmental, and cultural change. Indicators and the statistics from which they are derived can provide this information, show trends over time and highlight areas for further analysis in exploring the complex processes that lie behind sustainable development.

A range of different indicators and statistics can be used to measure progress towards sustainable development. These include:

- individual social, economic and environmental indicators and statistics
- composite sustainability indicators that integrate economic, social and environmental data to measure overall progress towards sustainable development goals
- indicators that show the extent to which economic growth is “decoupled” from environmental impacts and whether activities are becoming more ecologically sustainable
- environmental accounts that track the changes in stocks and flows of key resources such as freshwater and energy.

It is important that there is both reporting of indicators that are relevant to particular policies and programmes of action, and independent monitoring of social, economic, environmental, and cultural outcomes.

The Statistics New Zealand report *Monitoring Progress towards a Sustainable New Zealand* is a first attempt to provide an overview of outcomes.

No single agency collects all the data needed for this reporting. This means that partnerships and co-ordinated reporting are needed, involving central government agencies, local government, sector groups, other experts, and the interested community.

A range of indicators to measure progress.



SUSTAINABLE DEVELOPMENT FOR NEW ZEALAND PROGRAMME OF ACTION

THE REPORTING PROGRAMME


Reporting will occur as follows:

- Statistics New Zealand and the Ministries of Economic Development, Social Development and the Environment will lead work on core social, economic, and environmental indicators as building blocks for measuring progress towards sustainable development.
- Statistics New Zealand will report information from national environmental accounts, including natural resource accounts.
- Sustainable development indicators building on *Monitoring Progress towards a Sustainable New Zealand* (and the review of this report) will be reported on by Statistics New Zealand in collaboration with the Ministries of Economic Development, Social Development and the Environment, and Local Government New Zealand.
- The government will continue to explore the use of triple bottom line reporting in the public sector.
- The government will work in partnership with local government to connect the quality of life reports on sustainable cities with the sustainable development work programme.
- Officials will report to Ministers on emerging sustainability issues and progress against this *Programme of Action*. This will include advice on the capacity needed to review and audit the priorities for action arising from sustainable development indicators and other information, and hence to identify new issues for action.

As well as undertaking specific projects and joint work, the government expects that others will see partnerships on sustainable development reporting as the normal way of doing business. The government will promote monitoring and reporting partnerships through:

- collaborative work, involving Statistics New Zealand and the Ministries for Economic Development, the Environment and Social Development, on the collection, storage, analysis and reporting of core indicator data and statistics for measuring progress towards sustainable development
- collaboration between central and local government agencies and sector groups for sharing indicator data, information and expertise.

FOUR. NEXT STEPS



The detailed programme of action outlined here builds on recent work on energy, waste, fisheries, biodiversity and, more recently, biosecurity and transport. As well as putting in place strategies for these issues, the government has set the direction for the economy through the Growth and Innovation Framework and for the social sector through policies to reduce inequalities.

This *Programme of Action* takes the process a step further. It draws together a number of key issues and signals that the government intends to apply a sustainable development approach to its policy and decision-making processes. The programme of action is an evolving document and process. While it highlights a number of issues we need to tackle now, it also puts in place the building blocks that will help us deal with other issues at a later stage. We can't tackle all the issues at once.

The government intends to produce an updated programme of action. The timing of the next programme of action is dependent on the development of indicators and reporting against these, as outlined in section 3.5. The updated programme of action will also build on consultation and on the government's relationships with key stakeholders and other sectors. And, most importantly, it will draw on the lessons learned from this first programme of action.

*The programme
of action is an
evolving
document and
process.*



ANNEX ONE

KEY GOVERNMENT GOALS TO GUIDE THE PUBLIC SECTOR IN ACHIEVING SUSTAINABLE DEVELOPMENT

Strengthen national identity and uphold the principles of the Treaty of Waitangi

Celebrate our identity in the world as people who support and defend freedom and fairness, who enjoy arts, music, movement and sport, and who value our diverse cultural heritage; and resolve at all times to endeavour to uphold the principles of the Treaty of Waitangi.

Grow an inclusive, innovative economy for the benefit of all
Develop an economy that adapts to change, provides opportunities and increases employment, and while reducing inequalities, increases incomes for all New Zealanders. Focus on the Growth and Innovation Framework to improve productivity and sustainable economic growth.

Maintain trust in government and provide strong social services

Maintain trust in government by working in partnerships with communities, providing strong social services for all, building safe communities and promoting community development, keeping faith with the electorate, working constructively in Parliament and promoting a strong and effective public service.

Improve New Zealanders' skills

Foster education and training to enhance and improve the nation's skills so that all New Zealanders have the best possible future in a changing world. Build on the strengthened industry training and tertiary sectors to ensure that New Zealanders are among the best-educated and most skilled people in the world.

Reduce inequalities in health, education, employment and housing

Reduce the inequalities that currently divide our society and offer a good future for all by better co-ordination of strategies across sectors and by supporting and strengthening the capacity of Maori and Pacific Island communities. Ensure that all groups in society are able to participate fully and to enjoy the benefits of improved production.

Protect and enhance the environment

Treasure and nurture our environment with protection for ecosystems so that New Zealand maintains a clean, green environment and builds on our reputation as a world leader in environmental issues. Focus on biodiversity and biosecurity strategies.

