



# Bay Buzz

## DIGEST

**SPECIAL ISSUE:**  
**Where Do Your Rates Go?**

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Hastings District Council public hearing

## The Right Debate

By Tom Belford

In the coming fiscal year, ending 30 June 2010, the Hastings, Napier and Regional Councils will spend a combined total of \$232 million. Ratepayers, including businesses, will furnish most, though not all, of these funds. Other sources include earnings from investments, fees charged to developers in payment for council-fronted infrastructure (e.g., water and sewer lines), borrowings (debt), and funding from central government.

The three councils will have incurred for future ratepayers \$119 million in debt, rising to \$173 million over the next decade.

### Are you – the ratepayer – getting value for your levied funds?

Certainly, the ten-year plans (LTCCPs) now out for public consultation would have you believe that. For literally hundreds of pages, the proposed plans detail the programs and expenditures that will achieve our environmental, social and cultural, and economic well-being. Hallelujah!

To be fair, the councils have devoted a considerable amount of energy to attempting to engage us – as ratepayers, community leaders and other stakeholders – in their planning process. These are, after all, called Council *Community Plans*. The Hastings Council held meetings with key stakeholder groups, published a discussion document, *What Should the Future of Hastings Look Like?*, and mailed a survey to all ratepayers. The Regional Council also published a discussion document, *Embracing Futures Thinking*, and met with stakeholder groups. The Napier Council held general public meetings in neighbourhoods around the city, as well as special citizen forums on topics like Marineland and redevelopment of Taradale's centre.

Note, I said, "attempting" to engage us, for very few people actually participated in these pre-planning activities. Not even 600 ratepayers returned the Hastings survey ... how difficult could that most modest form of participation have been for ratepayers?!

But, there's still time for civic atonement! The formal consultation periods for the Hastings, Napier and Regional LTCCPs will carry on into early May. Get involved ... weigh in!

Here are some observations that might provoke you to do so.

### What you won't see

There's a huge amount of information in the draft consultation documents I've seen so far. I especially commend the "Major Focus" section of the Hastings plan, and "The Right Debate" section of the Regional Council plan. But in this mass of information, it's important to step back and notice what's not there. So let me begin with what's not in the planning materials, or possibly there, but well nigh impossible to find.

I've yet to see a real discussion of cost-cutting. Yes, there's plenty of rhetoric about examining existing programs closely, looking for efficiencies, getting down to the essentials, blah, blah, blah. But nowhere will you find an actual list of specific programs or activities that a council has pared back or eliminated, resulting in savings of XX dollars.

One might expect this to be a routine exercise ... making real and significant cuts before adding new stuff. Savings of, say, 5%, across roughly \$232 million in spending would amount to a not paltry \$12 million. How many businesses and households will need to cut their expenses 5% in the coming year?!

Actually, the Hastings Council has identified one item it wants to eliminate – the Blackbridge waste transfer station in Clive. To assure us that they were indeed being miserly, the Hastings plan lists thirty-one proposed projects that were not added to the budget ... but not adding is different than actually subtracting!

Another subject you won't see discussed in the plans is councils' staffing numbers and employee growth.

Salaries and wages, of course, are a major

driver of councils' budgets, but you'll be hard-pressed to learn much about this in the planning documents. If you ferret around a bit, you might discover that in Hastings, for example, 127 Council employees are working on behalf of your environmental well-being, 234 for your social and cultural well-being, and 29 for your economic welfare. But nowhere will you find simple statements or charts that present simply ... here's where we are now in staff numbers and costs, and here's where we expect to be in three years. And why.

A final topic given very little treatment is inter-council collaboration, which might, after all result in cost savings, customer efficiencies, consistency of policies and regulations, and even improved outcomes! Hastings makes a nod in this direction by providing a chart listing some current areas of collaboration among the councils, and by allocating the massive sum of \$25,000 next year to identify possible areas for shared services initiatives. Maybe in years two and three Napier and the Regional Council will agree with this list. In year four a task force will be set up to develop a pilot project. In year five they'll give it a go. Then, if they're still talking after the pilot, they'll add a few more in the last five years of the plan!

In all seriousness, this an area that should be given much higher priority. For example, after more than a year's delay, we are promised that the councils will finally begin their joint effort to formulate a development strategy for the Heretaunga Plains.

OK, that's what I didn't see in the plans that bothers me. What are some of the key issues that are raised in the ten-year plans? Here's a **BayBuzz** "Top Ten" list.

### BayBuzz Top Ten

In **Hastings**, for my first two I'll go with Councillor Wayne Bradshaw's issues, as he discusses elsewhere in this **BayBuzz Digest**.

**1. Deferred maintenance** – overdue expenditure on upkeep of social infrastructure, like footpaths, neighborhood playgrounds, and Council-owned halls, clubhouses and other community facilities. Ratepayers need to ask why Council has failed to keep pace with basic maintenance requirements for these assets, and then address what must be done funding-wise to close existing gaps in service levels in a more expeditious manner.

**2. Sharply increasing debt** – Hastings debt will rise from \$95 million to \$131 million. Ratepayers must question the overall debt level, and the types of activities that are debt-funded. As Nick Stewart says in this **Digest**, not all debt is bad. But debt needs to be used in only the right circumstances, and not to fund current services while artificially reducing near-term rates.

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## Straight Talk From Rodney Hide

### Minister of Local Govt.

By Tom Belford

I recently had occasion to hear Rodney Hide speak in Napier. As most BayBuzz readers will know, he holds rather conservative views on the role and spending of local bodies. So given our focus in this edition on our Councils' budgets and planning, and his post as Minister of Local Government, I sought this follow-up interview with Mr. Hide. Whether one agrees or disagrees with Minister Hide, it is refreshing to hear a politician speak as bluntly as he does. Only a bit of hedging here and there.



**BayBuzz:** Most of us know you believe local councils should stick to quite limited core activities, and shed the luxuries. What are the core activities you consider appropriate?

Local government has tended for political and legislatively-mandated reasons to spend too much time on process. We have thousands of people following processes, filling out paperwork, as opposed to getting on with the business. You have councils engaged in all sorts of activities which you'd expect to be the last thing for them to be doing, when in fact they're the first things they are doing – things like monuments, business ventures that you'd expect business to be doing ... the latest proposal to come out of local council is to start a banking service, which is the last thing I'd expect to come out of local government. We want to concentrate local government on getting its core business done, which is getting adequate water systems, sewage systems, road and transport systems in place, before they start doing the flash stuff.

**Let me try some examples. What about tourist attractions?**

Yes, but in doing activities like that they should be sure they have the community's support. I can imagine there are a lot of community events that are good for the community and good for business, but councils need to make sure they have community support rather than just heading off and doing them.

**Property development?**

I wouldn't expect local councils to be involved in property development. Because then you have them acting as both the regulator and the developer, which seems silly.

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## INSIDE THIS SPECIAL EDITION

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# FROM THE EDITOR

Tom Belford



## “WHERE DO MY RATES GO?”

How often have you asked this question, or heard others whinge about it?

Well it's that season, when area councils are spreading before the public their spending aspirations, this year in the context of presenting their ten-year plans for the future.

The very process of forecasting ten years into the future is controversial. For example, if you were to go back and read the plans prepared in 2006 (a major recast of the plans occurs every three years), you would find no predictions of today's dire economic conditions. There would be no rationale for spending ratepayer dollars to help pump up a depressed economy and sustain jobs. There would be no concern expressed about anticipating the local impact of global warming.

Clearly, in our fast-changing world, it's difficult enough to say something reasonably accurate and meaningful about the next three years, which is the period the long-term plans concentrate on, let alone the state of affairs – and the number of resource consents or refuse tonnes that will need to be budgeted for – seven or ten years from now.

And so local officials are fond of terming the budget estimates for the outyears of their Long Term Council Community Plans (LTCCPs) as “indicative” only.

That said, local officials realise that long range planning is in fact necessary, if only because the physical assets – roads, footpaths, sewer lines – which they are charged with maintaining have reasonably predictable operating lives. And no government body or private enterprise can be so short-sighted as to not make some effort to sense whether they are headed in dead-end directions, or failing to see obvious trends or problems looming on the horizon.

So, in this issue of **BayBuzz Digest**, we are focusing on the latest round of LTCCPs issued for public consultation by the Hastings, Napier and Regional Councils. You have all of April and into early May to comment on these plans.

To provoke your thinking, we offer some thoughts of our own, including a **BayBuzz** “Top Ten” list of major issues before the councils, as well as an array of opinions from a few guest writers – orchardist Paul Paynter, community activist Geoff Harman, and financial advisor Nick Stewart. We also

offer the perspectives of key political leaders – Regional Council Chairman Alan Dick, Napier Mayor Barbara Arnott, Hastings Councillor and Finance Chair Wayne Bradshaw, and the outspoken Minister of Local Government, Rodney Hide.

Offsetting their earnest analyses are countervailing “takes” on how we budget and what our priorities should be from our regular miscreants, Brendan Webb and Tim Gilbertson.

But if budget figures and debt projections leave your head spinning or your wallet aching, financial coverage is not all that **BayBuzz** supplies in this edition.

In our Arts & Lifestyle pages this month, we have another article from Mark Sweet in his continuing series, *The Romance of Wine*, where he recounts the role of local winemaking pioneer, Tom McDonald. Chef Kent Baddeley describes where his love of cooking for others comes from. And Brooks Belford describes a happy outcome from **Creative Hawke's Bay's 2008 Invitational Opening Night**, anticipating the 2009 event occurring this month.

Each of the articles also appears on the **BayBuzz website (www.baybuzz.co.nz)**, where you can easily comment publicly, print out articles, or forward them by email to your friends and colleagues. And of course you can always send your thoughts to **BayBuzz** at [editors@baybuzz.co.nz](mailto:editors@baybuzz.co.nz)

We also continue our new feature, **BrainFood**, sponsored by **Clearview Winery & Restaurant**. On the back page, you'll find information on a wide range of events, exhibitions, classes and more. We update **BrainFood** each month, so we welcome your suggestions for what else to include in the future.

And finally, look for some **BayBuzz** updates on important issues before our Councils: environmental health and safety issues at Whakatu; the Bridge Pa water situation; controversy around the sports park; Hastings Council management reorganization; and Councillor Henare O'Keefe's barbecue strategy!

So get yourself a cup of tea, sit back and enjoy this month's **BayBuzz Digest**.

Then check your wallet, put your own forecasting hat on, and make your views known on your Councils' ten year plans!

## The Right Debate

Cont. from page 1

**3. Heretaunga Plains land use** – the Hastings LTCCP presents formulation of a land use plan for the Plains as more or less its #1 strategic priority. But it's time for action to match the rhetoric. And consideration of long-term constraints on water supply must be part of the equation. Tied into this is a \$3 million District Plan review, which would reflect any broader strategies and public expectations regarding further urban and rural (including coastal) development in the District.

**4. “Customer service” scheme** – given its huge \$4.7 million price tag over the next three years, this project must be rigorously challenged. Personally, I'm open to hearing the case; but I don't think it has yet been made, including in the LTCCP documents. It's not clear that this is not simply a building scheme, wrapped in “customer service” rhetoric. The Chief Executive is reorganising his senior management structure, and all incumbents need to re-apply for newly advertised senior positions. This reorganisation could have far greater impact on “customer service” at HDC than new customer management software and call centres ... at far less cost.

**5. Commercial ventures** – the Council's future role and expenditures in what should be commercial and entrepreneurial activities must be examined – Splash Planet, the Opera House, the proposed Council-owned property development company – as well as its marketing support role and funding for signature events in the District.

In **Napier**, Mayor Arnott, in her interview in this **Digest**, has flagged one key issue – stormwater management – that I would agree with.

**6. Stormwater management** – in below-sea-level Napier, this is a “big ticket” item that will pose bigger and bigger challenges. But I would put wastewater treatment under the microscope as well. Many of us don't think much of the “Biological Trickling Filter” wastewater treatment system that Napier (and Hastings) is installing to turn unacceptable poop into acceptable poop before it is pumped into the Bay. Just as many question whether Napier is properly handling residential sites within the city that still have their own septic systems.

As for the **Regional Council**, I would endorse the two issues Chairman Alan Dick discusses in these pages, water and investment policy, and add two more.

**7. Water strategy** – as far as I'm concerned, it's impossible for the Regional Council to do too much to better understand and improve its stewardship of the region's water supply and quality. The financial commitment proposed in

the HBRC's ten-year plan is fully justified... so long as it leads to prompt action.

**8. Investment strategy** – HBRC's plan to marshal its investment assets more actively on behalf of regional economic development is exciting. It potentially puts the Regional Council in a more energetic role in terms of facilitating infrastructure and business activities that can protect our environment, conserve our resources and foster sustainable growth.

Related to this is the new responsibility HBRC is taking for the region's economic development and tourism agency, Hawke's Bay Inc. The Regional Council will supervise and fully fund the agency, giving it at last a fair shot at delivering on its mission – to be a leader in advancing the region's economic well-being. For example, HB Inc is taking the lead in planning with all stakeholders for a successful Bay hosting of World Rugby Cup matches and a team.

**9. Healthy homes** – ensuring healthy homes accounts for the lion's share of the Regional Council's rate increase, for those areas affected. However, providing well-insulated, dry and heated homes yields such dramatic health benefits, which spill over into significant economic and educational advantages, that it's hard to imagine a local government investment with a bigger pay-off.

**10. Maori partnership** – the Regional Council proposes funding assistance to help build capacity within the Maori community to engage more substantively in the decision-making of the Council. Significant Treaty Settlements related to Ngati Kahungunu are expected, which are likely to provide economic and social redress involving natural resource management. Water policy-making, with its new strategic status at the Council, is just one example of where Maori rights and interests must be better incorporated in the future.

## Rates

You might have noticed that I haven't commented on rates per se. Many of the guest writers in this **Digest** are greatly concerned about rate levels. I am less so.

What I am more concerned about is transparent, accountable, prudent decision-making when it comes to use of ratepayer monies. If the needs are clearly defined, the priorities are fairly and openly established, the costs are honestly presented and rigorously monitored and contained, and if local government has a unique role to play in advancing a public good, then I'm open to spending the required money.

I don't start from the Oscar Wilde premise Paul Paynter cites in his **Digest** article... “All governments are failures.” The public does have expectations of local government. We want footpaths, safe drinking water, protected coasts, flood control, healthy air and rivers and homes, reserves, playgrounds and public toilets. None of these come free.

According to LTCCP documents, the average urban ratepayer in Hastings will pay \$1,625 in District rates. If this ratepayer owns a typical property in Havelock North, he/she will pay another \$163 to the Regional Council. In total, \$149 per month.

That doesn't seem excessive. Which is not to ignore or deny that some in the community would find it a hardship, and should seek relief. And that others – myself included, I can assure you – could find examples of wasted or unnecessary spending. In which case, speaking for myself, I'd be just as happy to apply the “savings” to some Council program I deemed a genuine priority.

And that's the right debate – over priorities – that should occur during the LTCCP consultation process, isn't it?

## Don't let this opportunity go to waste

Economic prosperity in the last 20 years has increased average per capita income, but it has also dramatically increased the amount of waste. Waste is a significant risk to human health and the environment, and tangible evidence that we are making inefficient use of resources.

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# GUEST BUZZMAKER

Wayne Bradshaw, Finance Chair, HDC



## And The Winner Is

Hastings District Council has adopted their proposed 2009/19 Long Term Council Community Plan (LTCCP), with what could be one of the lowest rate increase in New Zealand for the coming 2009/10 year.

The rate increase of 1.68% is an improvement over the past average years of 3-4%.

What were some of the issues that needed to be addressed in the ten-year plan? To my mind, the key issues relate to maintaining well our physical assets (from footpaths to playgrounds) and constraining the District's escalating debt.

### Asset management

We have many areas where it appears required maintenance of Council's physical assets has not occurred on the needed basis. Areas that stand out for me are (in part):

### Footpaths

Hastings District has about 420 kilometres of footpaths. These should be maintained and renewed out of the annual rates collected, and rightly so. However, in 2007 the Council undertook a survey on the condition of the footpaths. The results showed that 36% (or 150km) rated "poor" or worse – 4% required major rehabilitation, 6% rated very poor, 26% rated poor. To bring these footpaths to a good condition (the same grade as the remaining footpaths) would cost some \$11 million.

This situation appears to have arisen from past Councils' desire to either save money or spend the funds on other projects they deemed more desirable or appropriate. This is illustrated in comments by Ray McIndoe, General Manager, City Enterprises, Palmerston North City Council (reported in the Local Government Engineering NZ Newsletter, March/April 2009):

"It can not longer be acceptable that renewal or maintenance programmes are stopped or delayed to save money (eg. footpath renewals) without explicit implications being presented to the decision makers. Too often in the past Councils have simply stopped or delayed work without fully understanding the full consequences to the service potential of the assets."

Unfortunately, no matter where the Hastings money was spent, the footpaths still need fixing and renewing. The solution in the LTCCP is to fix the worst 40kms over the next three years at a cost of \$ 1.0 million per year. These funds are to be borrowed. The impact of borrowing rather than rate funding is that only the interest cost (\$70,000) is shown in the rate increase. However, the loan needs to be repaid over, say fifteen years with the associated cost of interest over that time.

Thus, borrowing the funds results in a Year One rate increase 0.14% (plus 0.21% each year for the repayment period), whereas if rate funded, which would be more appropriate for maintenance expenditures, the rate impact in Year One would be 2%.

### Parks

During the LTCCP process, the Council was presented with a request from the Parks Division for an additional \$300,000 per year, to be funded from rates, every year, to catch up on the deferred maintenance and renewals in the District's parks. These funds are not included in the LTCCP on management's recommendation. This deferred maintenance backlog appears to have arisen in a similar manner to the footpaths.

### Community Halls

In the Hastings District, there are in excess of fifty buildings used by Local Community Groups, but that are owned by the Council. These include Keirunga Arts and Crafts, Guthrie Park Soccer Club, Guthrie Park Bridge Clubrooms, Girl Guide/Scout Rooms, plus many more.

As it stands, no provision for the maintenance of these premises has ever been allowed for in the Council's budgets or plans. The reason given for this is that the organizations using the Halls are responsible for all the maintenance of the properties. Whilst this may be the case or not (e.g., Keirunga Arts & Crafts' lease clearly says that Council is responsible for all exterior maintenance work), it is very important that there is regular reporting and monitoring by the Council on the condition of these buildings and their maintenance. If this is not done, the deferred maintenance may well get so high that the value in the properties is affected and the impact on the community group using the Hall could become severe.

### Toilets & Playgrounds

It is important to note that in surveys completed in 2007, Hastings District was ranked 27th of 29 Councils for public toilets, and 32nd of 35 Councils for playgrounds (not sports grounds).

You would have thought that a lot of this type of expenditure would have been included in the rates charged and collected every year, and that the necessary upgrading and maintenance would regularly have been completed.

It would appear not.

### Debt levels

In the LTCCP to be presented to the ratepayers for their consideration, discussion, and hopefully submissions, rate increases and borrowings (debt) are projected as indicated in the accompanying table.

Some of the key points that I believe should be understood fully are:

- What activities should be funded by rates?
- What activities should be funded by loans?
- What are the Council's core activities and responsibilities?
- Should Councils be involved in commercial activities?
- What expenditures have been deferred or amended in this ten-year plan and what impact will this have?

Surely it would be nice to have such small rate increases for the next two years. However, if we are only gaining these by again deferring the true cost – and ultimately who pays – then there must be a better way.

## Hastings Plan at a Glance

	2009/10	2010/11	2011/12	2012/13
<b>Rate Increases</b>	<b>1.68%</b>	<b>2.05%</b>	<b>3.57%</b>	<b>4%</b>
<b>Debt @ 30/6/09 = \$88.91 million</b>				
<b>Net new borrowing each year (millions)</b>	<b>\$6.36</b>	<b>\$14.04</b>	<b>\$11.75</b>	<b>\$13.41</b>
<b>Gross debt @ year end (millions)</b>	<b>\$95.27</b>	<b>\$109.31</b>	<b>\$121.07</b>	<b>\$134.48</b>

The question may well be: What is the cost of operating the Council? And can this be improved? As with all households and businesses, Councils must operate as efficiently and effectively as possible, given the circumstances. This is what the public should

expect from our Council and any other Central or local government agency.

If this is done, then low rate increases should be achieved consistently through efficiencies alone.

## DRAFT TEN YEAR PLAN

**Hawke's Bay Regional Council's draft Ten Year Plan 2009-19 takes a fresh look at the possible future for the region and sets out strategic programmes of work and investment in response.**

This is your opportunity to play your part in the region's future. The plan will be available for consultation from 6 April and you can make a submission by 11 May 2009.

A summary of the plan will be in the next issue of the Council's newspaper 'The Big Picture' and if you want more details go online to [www.hbrc.govt.nz](http://www.hbrc.govt.nz) or phone **833 8075** to ask for a full copy to be posted to you.

We are also organising expos so that people can have an opportunity to talk to Councillors and staff about their concerns and the issues facing the region. As well as those listed below, we will also be holding expos in Waipukurau and Wairoa.

**Hastings**  
**We are joining with**  
**Hastings District Council at this expo.**  
**Hastings Sports Centre, Railway Road**  
 12noon – 6.30pm Friday 3 April  
 9am – 3.30pm Saturday 4 April

**Napier**  
**Regional Council Chamber,**  
**159 Dalton St**  
 12noon – 6pm Tuesday 7 April

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**Paul Paynter**  
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Guest  
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# All Governments Are Failures

“All governments are failures,” Oscar Wilde once proclaimed.

It’s quite true. They have a great deal of power, limited and infrequent accountability, and can fund any project they like with the taxes they demand from us. That is hardly an environment that is conducive to efficiency and competence.

A prime example recently was the government guarantee of Mascot Finance. Mascot was clearly in trouble and had ceased taking deposits, yet Treasury guaranteed the company. When, to no one’s surprise, it failed just a few weeks later, all we got from our Prime Minister was a “Whoops, we made a mistake there.” In the private sector you’d almost certainly get the sack for such an error, and losses on that scale would bankrupt many businesses.

But in government it’s “easy come, easy go.” When you don’t have to earn your money, you tend to spend it more loosely and with less accountability. While the private sector isn’t perfect, they generally make fewer errors than governments – business owners’ houses, livelihoods and retirement savings are on the line.

For these reasons, it’s important to restrict the role of government. Almost everyone would agree we need law and order and so having a government administer a police force and judiciary seems like the safest way to handle these issues. To restrain crime of every sort is the fundamental role of government.

Beyond this, the important thing for a society to do is to restrict government to those activities that the private sector cannot reasonably manage. This seems to make for the best and most prosperous society.

My wife grew up in communist Hungary and her experience is that when the government runs everything, it makes people poorer – not richer. People who are poor and desperate will do anything to improve their lot, and this accounts for the large “black economy” in Communist regimes.

Indeed, long before communism arrived in its modern form, Thomas Jefferson identified its

hideous reality. “Government big enough to supply everything you need is big enough to take everything you have,” he said.

The US was once the polar opposite of communism – it was the land of opportunity, where everyone had the chance to better themselves and to control their own destiny. It’s on that basis they became the most prosperous country on earth.

Their current woes are good evidence that utopia is hard to achieve. It seems that the US government facilitated corporate crime rather than restrained it - but I’d still rather live in the US than North Korea.

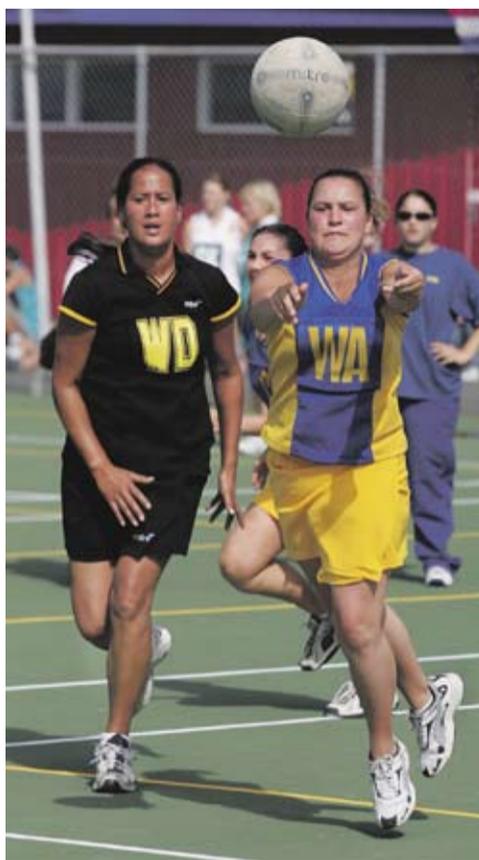
Politicians are also terrible egotists. Once elected, politicians seem to think they should take the lead on everything – particularly economic prosperity. History indicates that great business people, inventors and engineers have driven economies – not governments. Politicians should perform their necessary underpinning role and stay well out of the way.

Some choice examples of government failure exist in our own region. Splash Planet was touted as an exciting commercial venture, set to be a cornerstone of Hawke’s Bay tourism. Of course, reports also forecast it would quickly become profitable. Sadly Splash Planet has continued to be a loss-making venture that has delivered well short of its potential.

Similarly, the press recently reported that the Opera House is losing \$100,000 a month. Although it is a fine facility, it is clear that it is grossly over-capitalised and cannot generate enough revenue to sustain itself.

These are good examples of how governments fail to keep their feet on the ground, and have far too great a belief in their own commercial competence. Neither project was a bad idea, just badly managed, with the rate payers continuing to pick up the tab.

Splash Planet is a good example of a venture in which the Council should have sought a private sector partner for at least 50% of the project. The facility is a commercial venture, a natural monopoly and should be able to be run profitably. If a business person had their



money on the line, greater urgency would have been shown in getting it right. Failing that, Council should have just leased the facility to an operator for \$1. Even that would have been vastly preferable to making ongoing losses. To do this would have been an admission of incompetence, and so it was never going to happen.

Now we are presented with a \$56 million Regional Sports Park, a facility that has grown spectacularly from the original proposal we voted on. At a time when house prices are falling, jobs are in jeopardy and the Council’s rate income is set to plummet, should we really have such grand ambition? Is a \$12.8M velodrome really a “need” of our community?

There is no doubt that some sports need more investment. Netball is an excellent example of a sport that lacks facilities. We should have built new netball courts at Windsor Park over the summer so that they could be ready for the start of the current season.

With all these things, a good question to ask is “How can we get the private sector funding this, rather than ratepayers?” There are many elderly people who don’t require sporting facilities and don’t really want to pay for them. Perhaps Council should allow a 30% rates rebate for businesses that make a donation to an approved sports club. Is not the public in a better position to decide which sports bring value to the community and which do not? Or does government have to administer all the handouts?

Of course governments don’t like ideas that make them less relevant and empower their citizens. Government would rather hold the sports clubs in servitude – with their hands held out for funding. Taken to the extreme they would also like to decide who gets to eat and who does not – perhaps they already do.

It seems human nature is all too willing to become indentured to the state. If government can acquire “easy money,” then the smart thing to do is try to get your snouts in the trough of that “easy money.” It is the perfect environment for pompous demagogues to groom citizens that are happy to give up their self respect.

As for our own community, it’s time for back to basics government. Faced with what looks like an enduring recession, Council need to restrict themselves to a simple list of functions they should seek to perform with excellence. If that were the case, I genuinely believe rate decreases would be achievable.

# HDC Budget

Looking at the 2008 annual report for the Hastings Council, you might be surprised to see total revenue of nearly \$100 million (\$92.16M to be exact).

The HDC is big business, employing just under 400 people, and spending many millions of dollars in contracted services and consultancy fees ... these three account for some \$37.5 million - nearly 41% of total revenue.

Since 2003/04, more than 100 people have been added to the HDC payroll. Now, there is nothing wrong with that as long as all employees are highly productive. The most important issue is how the revenue is spent. Do the ratepayers get the maximum bang for their bucks?

The property boom is the main reason the Bay (along with other districts) has leapt ahead and looks so good. The District has come a long way since those hard times in the latter 90s. And in economic good times people just pay up.

But, with the major economies of the world encountering financial turmoil and with NZ obviously being part of the Global Village, it is just a matter of time until the full effects are felt in here. Some businesses have gone to the wall; others are paring costs in order to survive.

One would trust that the HDC will be prudent in implementing their district plan and set the budget accordingly ... as such a rate increase of nil or of the smallest magnitude would be in order. Forget property development, concentrate on infrastructure and operate any loss-making enterprises more efficiently.

Much debate has occurred on the loss-making duo – Opera House and Splash Planet. I doubt that even in the old days, when it was known as the Municipal Theatre and you could catch a movie there, has the Opera House ever run at a profit. There is no argument the facility is a big plus for the district, like a library. It’s just something you pay for; how it is run may or may not be up for scrutiny.

How about Splash Planet? At times over the summer months you can drive past and see 100s of cars, so you have to think there must be things that are right about it. Although, by all accounts, it runs at a loss of some \$800,000 per year. There must be ways of improving this situation, the goal being for the facility to turn a profit. Private enterprise could well be the answer. Track records of central or local government running businesses are not great.

According to a report in HB Today, the HDC has figured in a number of court cases in recent times. More often than not, HDC has come off second best. This must be a disappointing situation as it obviously takes up an enormous amount of time and effort, not to mention the dollar cost to the ratepayer. It would be interesting to know in any financial year what the actual above costs were ... it would be like a performance standard barometer. Getting to the bottom of “why and how” the HDC finds itself on the losing end of court actions would be a most efficient and cost-saving exercise, to the ratepayer that is.

Rodney Hide recently expounded the view that ten-year plans were soaking up a lot of time, effort and money for something that

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may or may not happen. If you know your infrastructure needs, you budget accordingly. Projected major population increase would cause pressure on infrastructure, but how likely is that?

But then you ponder that HDC has increased staffing levels some 39% since 2003/04 – interesting. There was an article in the Christchurch Press (14/03/2009) comparing South Island authorities in various ways, one being council staff increases compared to population growth. It would be interesting if a similar exercise could be done in the North Island.

Debt is necessary, though we now see the results world-wide of too much debt. The HDC, like all other Local Authorities, ties its debt to Total Assets... some 6.9%. Expressed this way, it pails into insignificance. But, one must take into account debt to annual income in any one year – for the 2009/10 year it is approaching 78%. Not by any means over the top, although a watchful eye needs to be kept on this figure. After all it is public debt, yours, the ratepayer.

That brings me to the point ... it is your council. Yes, you the ratepayer indirectly employ all the staff. And, in the main they do a pretty good job, councilors too, but like any enterprise or business there is room for improvement,

When he began his stint at the Far North Council, Mayor Wayne Brown gathered the staff and councillors and announced in no uncertain terms that the time had come for attitudes to change, and that his policy would be one of putting ratepayers back in charge of council -- doing things for the ratepayer and not doing things to them. Refreshing.

It is truly regretful that the Sports Park issue is back before the court. Frustrating, costly in so many ways, and who pays? Yes, correct, you the ratepayer. But you have to ask: did the HDC follow all the procedures, because if they did, how can a case be brought before the court? Nelson Park was way beyond its use-by date, and what is envisaged would be of great benefit. Completed stage by stage, the benefits should outweigh the costs.

Recently, the Havelock North Citizens Incorporated were totally successful in a High Court Action against the Hastings Council regarding the issuing of two Certificates of Compliance. The action seemed to take forever to get before the Court and in all that time the HDC defended its decision on issuing the certificates come hell or high water. However, the Judge found that the HDC had erred. The certificates were judged unlawful, and the cost to the ratepayer was some \$55,000 plus. That's without the time, effort and loss of focus on other matters. The legal action shouldn't have been necessary. One would sincerely hope that HDC have not fallen into a similar situation on the Sports Park matter.

As indicated above HDC runs a pretty good operation, but that does not mean that it is beyond scrutiny. With challenging times upon us, the populace is in no mood for a rate increase. I believe HDC needs to do some serious soul searching on costs and some of its procedures, and not expect the usual increased economic transfusion from the ratepayer.

**Nick Stewart**  
Guest  
Columnist



## User Pays

Setting aside issues surrounding spending on this or that specific project or activity, arguably there are more generic questions to consider about councils' spending levels, financing methods, engagement in commercial activities, and – these days – even their role in fighting recession.

I invited Nick Stewart, Executive Director of the Stewart Financial Group, to take on some of these questions. Who better to ask than a hard-nosed financial manager who's also a ratepayer?! Here's what he had to say.

**BayBuzz: Should there be an overall "target" in terms of rate increases? If so, how determined? Is it "good enough" to simply not hike rates above the inflation rate? How should Councils take into account declining property values, which might eventually depress the rate base?**

I believe there should be an overall set target for the increase in rates. However, we all need to appreciate that there is a cost to providing the services we all enjoy and tend to take for granted. The only way to fund these costs is through rates, so it is a user pays basis. The only variable being the value of your land holding, which determines the amount you actually pay.

As, and if, land values decrease it does not mean your rates will decrease, as a large portion of Council costs are fixed. It concerns me that essential Council services are linked to the value of land owned by members of the community. In recent times, Councils have been lucky because land price inflation has been more than both CPI (Consumer Price Index) and wage inflation.

It is interesting to note that one of the Council's largest costs are human resources in the form of wages/salaries. If there was to come a time when we had low land price inflation, but higher wage inflation, this would create an issue for Council when controlling its expenses versus its revenue.

Many New Zealanders will look at the recent Quotable Value figures showing an 8.9% (on average) nationwide decline in house prices and assume their rates will come down by this amount. However it is not that simple. Councils have managed to pull back some of their increases in recent years. Therefore, they would argue that at the current time there wouldn't be a decrease in rates given they haven't put up rates at the exact percentage increase of land over the past decade.

Furthermore, rates are assessed on land value only, not improvements, and the Quotable Value split between the improvements and the land portion is the key. It is incorrect to assume both the land value and improvement's value both declined at the same rate as the average house price.

It would be fair to say on reviewing advice from the RBNZ, and individuals such as former Reserve Bank Governor Dr Brash, that New Zealand house prices need to substantially retreat further or we will enter a period of prolonged static growth, in both land and house price appreciation, which in turn will create a cap on Council revenue.



Hawke's Bay Opera House

**What should be Council's role in running entrepreneurial ventures like Splash Planet or property development companies (HDC proposes to create the latter)?**

Private enterprise, on average, always delivers the most efficient and cost effective business projects. Evidence of this was shown two weeks ago with the Government's review of State Owned Enterprises, where the economic return of New Zealand's \$24 billion of State Owned Enterprise investment/equity was yielding a return of only 4% per annum. By comparison, a private enterprise would be expected to deliver a return of between 8-10% on equity or shareholders would revolt and vote with their feet.

CCMAU (Crown Company Monitoring Unit Association) at times can struggle to find the right calibre of individuals with the right skills to meet its requirements. Therefore you would question whether a small rural Council can source, incentivise and maintain the right managerial and governorship skills to be in the entrepreneurial sector of the economy.

Furthermore, entrepreneurial businesses tend not to have political bias in appointments. Many ratepayers have questioned some of the aspects of the running of entrepreneurial Council activities and some projects appear to gain traction given that Councils, with their semi-government status, can access investment capital (in the form of borrowings) much cheaper than the private sector.

Instead of the Council getting directly involved in entrepreneurial activities, you would wonder if they would be better to take an approach, successfully implemented overseas, whereby to attract certain activities Councils give substantial rate relief for a set period of time to encourage that specific activity. On that basis, an entrepreneurial business would assess and make up its mind whether the business was a viable unit with the reduced rate burden.

**What activities are appropriately financed by debt versus current rates, and what level of debt is "enough"?**

I don't think it is appropriate to only focus on the level of debt the Council should have. The life of the project we are borrowing capital for and how long the duration of that investment is should also be considered. For example, for a new water plant or sewerage treatment facility (with an expected life of 50 years), I believe the debt level could be allowed to increase above normal levels, given its long duration, as it is an infrastructure project where the benefit is multi-generational. However, when you are talking about tidying up a street, which receives a cosmetic revamp every five years, I question

the value of taking on long-term borrowings to achieve that outcome.

**Is there an "economic stimulus" role for Local Government spending in present circumstances, if so, within what parameters focus?**

I don't believe it is in the Local Government's interest to look at economic stimulation in the current climate. Council revenue is limited. Its means of borrowing versus Central Government is limited and its ability to foster economic growth, in my view, is also limited.

It is better Councils focus on their core services and keep these maintained, and in turn let Central Government work on the economic stimulus, as it has more resources in the form of intellectual horsepower and both monetary and fiscal stimulants.

**Finally, if you wish, are there some specific spends that seem particularly ill-considered to you?**

Whilst Council have become more transparent in their documentation relating to the breakdown of rates, many ratepayers and members of the community still fail to understand the cost of delivery of these services. Many ratepayers also bemoan the local Council rates versus the Regional Council rates. Yet, they fail to understand the subsidy effect of substantial Regional Council assets (e.g., The Port of Napier investment) and therefore dividends received by the Regional Council, which directly subsidise the rates.

Presently there is a slightly unfair playing field on this basis as it would be appropriate for the Regional Council to disclose on its rates notices what the true rates would be: \$x less the subsidy from Regional Council investments, giving you a net rate of \$x.

**[Editor's Note:** According to the HB Regional Council's LTCCP, 54% of the funding required over its ten-year plan will be met by those deemed to benefit directly from the work to be carried out. A further 38% of funding will be provided by the income earned on Council investments, and Council reserves and loans. Leaving 8% to be provided by general funding rates.]

**Alan Dick**  
Chairman, Regional Council



# Water, Investments Top Regional Council Agenda

For the first time in my experience, the Regional Council's long-term plan has a true strategic underpinning. This is the result of intensive analysis considering future scenarios, emerging issues and trends, and the most optimal way in which the Council can best benefit the Hawke's Bay region with its considerable resources.

The Council's *Embracing Futures Thinking* document reflected this analysis, with draft strategic goals and objectives under headings such as Sustainability, Water Management, Optimal Land Use, Coping with Climate Change, Renewable Energy, Future Regional Infrastructure, Economic Development,

Investment Strategy and Partnerships with Maori.

The thinking in this document (available on request) has been further developed in the long-term plan into key policy change proposals and programme activities which, if adopted, will in my opinion be transformational for the Council and have a huge positive influence on the region's economic development and environmental protection. Whilst the plan is for a ten-year period, the first three years should be a fairly accurate prediction, but further out is indicative only.

There are two key and critical strategies, affecting water management and Council's economic investments.

## Water strategy

Firstly, regarding water – our most precious and finite resource – under demand pressure from industry and irrigators, and likely to be under supply constraint, as with climate change Hawke's Bay becomes an increasingly drier place.

Over and above the Council's presently substantial investment in science, monitoring and consent compliance, the Council proposes to invest \$2.6 million in scientific investigation and policy development over the next three years. The science objective is to fill knowledge gaps about the scale of the Heretaunga and Ruataniwha plains aquifers and sustainable takes. The policy objective is to better manage the resource to sustainably maximise water utilisation, while avoiding environmental degradation.

But we won't sit on our hands in the meantime, or be paralysed by analysis. Two projects are being planned for right now. The first will provide real time data from water takes through metering and telemetry for highly responsive management of water demand, to enable better utilisation and maintenance of critical water flows in our rivers.

The second project is a pre-feasibility study into the potential for water harvesting, particularly in the Ruataniwha plains and upper Ngaruroro River catchments. Storage reservoirs can capture winter peak flows and enable irrigation and supplementation of ecological surface flows in the dry summer months. There is the potential for a further 41,000 hectares to be irrigated in these areas, with an irrigated farm earning 2.4 times the revenue of a dryland farm. As well as the obvious economic benefit, careful design and management can enhance environmental and ecological values, so we will work with Iwi and organisations like Fish and Game for the best possible outcome.

## Investment strategy

The second key strategy is review of the Council's Investment Strategy.

We are fortunate that the Regional Council is a relatively wealthy organisation, but to date it has had a very lazy balance sheet (with \$30 million sitting in bank accounts). Our intention is to have those funds working, and also to be able to leverage off the balance of the portfolio, including the Napier residential leasehold lands and ownership of the Port of Napier.

The objective is new investments in Hawke's Bay that have a triple benefit. Firstly, economic development; secondly, environmental protection or enhancement; and last, but not least, maintaining a reasonable financial return to minimise costs to ratepayers.

Expect active investment in ventures such as water use monitoring, wastewater treatment, conservation forestry, carbon farming and, subject to feasibility, water harvesting.

The Port of Napier will continue its status as a vital strategic asset. Despite media assertions that the Council is intending to sell its shares, at the moment we are buying, not selling, with the Horizons Regional Council shares under purchase negotiation right now. However, the Investment Policy needs to ensure more flexibility in future ownership arrangements, and a future sale of a minority percentage of shares could be an option if a compelling case can earn public support through a special consultation process.

Other significant proposals in the Plan include improved public transport services, our "healthy homes" response to Government's air quality regulations (insulation plus clean heat for the 60% of substandard housing in Napier and Hastings), a \$3.7 million contestable fund to assist significant community infrastructure projects, and ongoing resourcing to assist a stronger partnership with Maori. The latter is increasingly relevant as Treaty settlements may result in new partnerships around the management of natural resources.

And whilst this is by no means a "Business as Usual" plan, there will be business as usual in the Council's vital functions of drainage and river control, land management, biosecurity, civil defence, resource management, transport planning, and economic development through Hawke's Bay Incorporated.

**Barbara Arnott**  
Napier Mayor



# Napier – A Blue Chip Stock?

Mayor Barbara Arnott sat down with BayBuzz recently to discuss Napier's pending budget and long-term plan. I have my beefs with the Mayor, and I hear from others who do as well. But any city would consider itself fortunate to have as effective a champion as this mayor, whatever one thinks of her policies.

And what a contrast Il Duce and her city-state seem to cast against Hasting District and the Regional Council.

If, in financial terms, one were to take Napier as a blue chip stock (steady, stable, *boring*), Hastings might then be best described as a financial derivative (complex, speculative, mysterious to most investors, arousing suspicion, *dangerous*), and the Regional Council as a growth stock (optimistic, entrepreneurial, future-oriented, a bit risky ... but *exciting*).

Napier's rate increase for the coming year will be 2.68%, meeting the magical goal of not exceeding the consumer inflation rate. And Napier's debt will be about \$12 million, with marginal growth projected. Small potatoes compared to Hastings.

In terms of major spending initiatives, there are a handful of projects on the Napier radar - redevelopment of Taradale centre, a new museum and art gallery, a business park at Prebensen Drive, a yet-to-be-determined "something" at Marineland, and upgrades to the city's stormwater system.

During a dedicated consultation process, residents of Taradale supported the most ambitious redevelopment option that Council offered for that community's central district. This scheme will be subject to further consultation in the LTCCP process. But whatever is done is to be financed via ring-fenced funds generated by local parking fees.



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About \$2.5 million is proposed for the Prebensen Drive business park infrastructure (\$1 million), the Marineland/CBD refurbishment (\$1 million), and the planting of \$500,000 worth of new trees around the city. These projects, however, will not be rate funded. Instead, they are to be financed through a bit of a windfall NCC has received from its investment in the Parkland residential development. Some 200 homes sold quickly there during the housing boom, yielding a bubble of income the Council will devote to the aforementioned projects.

The new Museum and Art Gallery, a \$15 million (plus inflation) project, was approved in the previous LTCCP review. Mayor Arnott says this project will not proceed further until all necessary funding has been lined up. Her goal is to finance one-third with central government funds, one-third from Napier ratepayers, and one-third from private sector contributions. Asked whether construction might actually begin during the next three-year period, Mayor Arnott commented: "Yes. We will trigger it within the next three-year period, all going well with our fundraising efforts, which will kick-off half-way through this year."

So what are the "big issues" from Mayor Arnott's perspective? She would say solid waste disposal and stormwater management. Proposed activities in each of these areas will be presented in the long-term plan for public consultation.

With regard to waste disposal, the issue is sharply escalating costs, due to a new central government levy and other cost hikes ... leading to a 100% rise in city recycling bills in the last year. According to the mayor, Napier has almost achieved its goal of recycling 25% of its waste by 2011 (already at 23%), and the issue becomes what additional waste minimisation can be undertaken at an acceptable cost to the public.

Stormwater management represents an even more expensive challenge. With Napier effectively sitting within a geological bowl, fully 73% of its stormwater must be collected and pumped over the lip of the bowl into the sea. One project alone, the new drainage system collecting stormwater from part of Taradale and Pirimai, is costing around \$16 million. And, in the future, with climate change likely to bring more - and more intense - "rain bombs" to the region, the city's stormwater systems are likely to

be stressed. The LTCCP allocates \$1.1 million to additional stormwater management capacity, and the mayor says this must be used "creatively ... the problem is totally manageable, but still a big issue."

At this point in our conversation, I felt that we still hadn't stumbled into anything really juicy. So I tried a couple of issues that I suspected might produce a bit more adrenalin - Napier's funding for two "outside" projects... the "regional" sports park and Hawke's Bay Inc, the region's tourism and economic development agency.

Asked if there was any money in the proposed LTCCP specifically assigned to the "regional" sports park, Mayor Arnott replied: "No. No."

Then she expanded. "There will be money in the plan for sport facilities. Park Island has a catchment of about 40 hectares that we can expand into. We just told the rugby league we'll commit to supporting them and giving them a home at Park Island, and that will cost something. We can help them grow the sport and give them some stability." Then she continued: "So if there's funding in there for sport facilities, it will be for facilities like that ... We're quite proud of our sport facilities and we keep putting money in them because they are well-used."

I badgered Mayor Arnott about the sizeable funding for the sports park requested from Napier by Mayor Yule and Sam Kelt. She acknowledged: "We're having a meeting with the sports park people next week and I'll be interested to hear what they have to say to me."

Then she continued: "There's no way this city will be putting in money of that magnitude until we build our own facilities. We've still got McLean Park going. We started that in a time of largesse and where sponsorship in terms of buying boxes and that sort of thing was reasonably easy to come by. We've got to follow through on that and make sure that we paid for it in total. And the Museum and Art Gallery needs to be paid for in total. And the business park needs to be well under way and its infrastructure solid before we can afford as a city to put money into anything else. And I wouldn't think in the next three years we would be doing that."

We moved on to Hawke's Bay Inc. "There are two issues there," she said, "equity in payment for our people and proof in the pudding in terms of performance."

Mayor Arnott believes Napier has paid more than its fair share of HB Inc costs in the past, an inequity compounded by poor accountability. With the Regional Council taking full oversight and, as proposed in its own LTCCP, full funding responsibility for HB Inc, the issue of how much Napier ratepayers will be charged by the Regional Council remains a sore spot with Mayor Arnott. She wants the formula pro-rated against the population size of various local jurisdictions in the region.

Says Mayor Arnott: "Having the Regional Council take it over gives us a bit of confidence in terms of the accountability side. I haven't yet got any confidence in terms of deliverables ... We don't mind our ratepayers paying if it's for a service that adds value. If it doesn't add value, then why would we, even if it's taken over by the Regional Council."

Listening to Mayor Arnott, it sounds like the sports park and HB Inc are two "causes" that have not yet "made their case" satisfactorily to her or her Napier Council! Stay tuned on these items.

## Rodney Hide Cont. from page 1

Sure. The interesting question is who pays for it and who drives it? But it is something that has to be done at a community level.

**Many Councils use the benchmark of keeping rate increases at the rate of inflation. Is that a good enough measure?**

It's a good start... The problem has been councils running way ahead of inflation in general. I accept the point that there are costs that councils incur, in particular roading costs, that don't necessarily follow the CPI. I'm having the statistics department do some work on what would be a good inflation measure for local councils to follow for that reason.

**What about public employee costs? Outside government, people are losing jobs, not getting automatic raises, but arguably public employees are insulated from the pain others in the community are feeling.**

Politicians are the same. Civil servants, council staff are guaranteed salaries put in their bank accounts each week, whereas everyone else is out there having to earn it. Those in the protected sector don't feel the sharp end of the recession. That's why it is so important that we strive for efficiency and good service and low cost approaches from government. What we have had for many, many years is bloated and big government, which has put further pressure on the tradable sector, which is ultimately the source of New Zealand's income and wealth. The world is now telling us that we need to live within our means and that includes government.

**Local governments say that labor agreements are the barrier to curbing public employee costs. Is that right, or is it just a lack of political will on the part of elected officials?**

There's been a change of government and there's been a recession. We've had a Government that was big on spending and spent a huge amount at central government and required a huge amount to be spent by local government. And of course that was through the good times. Now we've got the bad times, but a new Government that's a bit tougher on spending and a new minister of local government who is very concerned about rate costs and the pressure being put on home owners and businesses. So I think it's a changed dynamic compared to what we had in the past.

**With the recession, a lot of proposed spending by local government, especially on infrastructure, is now defended as priming the pump economically. Just about anything people want to spend money on locally has become infrastructure. Do you think local officials are playing fast and loose with this?**

Of course. Governments are doing that around the world. No one more so than in the United States, where the fiscal spend-up is so extraordinary. Of course, I don't belong to the camp that says we can spend our way through the recession.

**Your supporters up here are pretty conservative with regard to what should be within the circle of core services. But we also have some local elected officials here who are busily promoting so-called infrastructure spending.**

I understand that. If there's pork being thrown around, people will want it coming their way.

**How are you fending that off?**

Look, people know that I'm the last person to come to. Very early on in the piece, I was at a meeting of the Auckland mayors. John Key explained they were going to be spending-up on infrastructure. The question was asked: "Who should they approach in Government if they

had some good infrastructure projects?" John Key suggested myself. I said "no way, because the answer from me will always be no." I'm the last person to be approaching about spending more taxpayers' or ratepayers' money.

**Let me ask about debt. Some councils appear to be holding rates down by borrowing more instead and using loser definitions of capital spending.**

Sure. That's why in central government we worked so hard on the Fiscal Responsibility Act to ensure that we follow the proper accounting procedures about debt and the calculation of assets. Ultimately there's politics coming up against proper accounting.

**Is there some benchmark or rule of thumb you would apply to define the appropriate level of debt for a local council?**

No, because even with regard to expenditures at the local level, we have local governments for a reason. They need to make those decisions locally. So, while I don't want money spent on luxuries and I want that goal of holding it to the rate of inflation, I'm not going to dictate that nor can I. Because ultimately, it is up to the local community and the Councillors to be making those decisions. Likewise, the level of debt the community carries. What I want to achieve is a level of transparency and accountability so that ratepayers and people in the community know what they're voting for.

**Speaking of local accountability, do we need elected Health Boards?**

No, we don't need them.

**You'd toss them?**

Yes. It's been ACT's policy all along.

**Will the underlying decline in property values which underlie the rate base, have an impact on the funds local councils will be able to raise?**

Well, you'd think that. But advice I've had is that the way they strike the rate is that they work out how much money they need, and then work out the rates accordingly. So it doesn't follow that their income will fall if property values fall. Ever increasing expenditures are imbedded deep in our body politic. We tend to take our current spending and then think of a few more things to spend on. The pressure is always upwards.

**Have you heard of the edifice complex – the compulsion to spend on big structures?**

Yes.

**Is now the time to making those kinds of expenditure – sports parks, municipal theatres, museums? Many ratepayers support such amenities, but is now the time to be making those kinds of investments?**

I think we have to be very conscious of the costs. And the money we need to earn to cover the costs. We need to be very honest about the situation we find ourselves in. We have to be honest about the ultimate costs. We've seen in local government time and time again the statement: "Well, it won't cost the ratepayers a dime." And then down the track ratepayers are left with the large bills. So I am looking at getting greater transparency and accountability around issues like that.

**Mr Hide concluded the interview with some kudos to Mayor Yule.**

I have established a great working relationship with Lawrence Yule. We're lucky in local government to have someone who's actually outside of one of the main metropolitan areas representing the local councils. He's helped me a lot actually, because it's a new job for me. He's been good at helping me and taking on board what I've had to say.

# ARTS & Lifestyle

**Mark Sweet**  
Columnist



## The Romance of Wine

*Third in this series on the history of Hawke's Bay wineries, this article traces the circuitous evolution of Church Road Winery and the remarkable accomplishments of Tom McDonald.*

"Hawke's Bay province is, in my opinion, the most suitable for growing vines I have visited," said Italian wine expert Romeo Bragato at the end of a six month tour of New Zealand in 1895. "The wine industry is an immense source of wealth to a nation."

Bragato's enthusiasm for Hawke's Bay viticulture was influenced in large measure by his visit to the Greenmeadows vineyard of Henry Tiffen. There, Bragato found a "magnificent" Pinot crop, "the finest grapes" he had ever seen.

Tiffen's vineyard, established in just six years at cost equivalent to \$5m today, was "the premier vineyard in New Zealand." Thirteen kilometres of wire trellises supported ten hectares of Chardonnay, Pinot noir, Pinot blanc, and Pinot meunier. State of the art production facilities in a mechanised press-house meant the only handling after picking was when the grapes were shoveled on to an elevator to begin the stemming and crushing process.

Henry Tiffen travelled widely bringing many different crops back to Hawke's Bay including tobacco and sugar beet, and when he died in 1896 he had established not only the biggest winery in the country, but also the largest fruit orchard in the North Island, producing apples, peaches, apricots, pears, plums, persimmons, and figs.

His wine and fruit holdings were inherited by his niece, Amelia Randal, who by 1905 had expanded the vineyards to fourteen hectares. But, being a devout Baptist, and pressured by a prohibitionist farm manager, Amelia uprooted all the vines and replanted in fruit trees. In 1921 she sold the entire contents of the winery to the Corban family, who transported the equipment back to their base in Henderson.

The balance of Henry Tiffen's land holdings was subdivided and sold. The Society of Mary purchased 260 acres which would become the final home of the what is now the Mission Estate and Winery. And, in 1897, a small plot of 5 acres was purchased by Bartholomew Steinmetz who had been working at The Mission for several years.

Steinmetz established a winery producing sherries, ports and muscats. Probably his greatest accomplishment was the hiring in 1921 of a 14 year old boy who, in the following 60 years, would make a lasting contribution to wine making in Hawke's Bay. His name was Thomas Bayne McDonald and he, more than any other local viticulturalist, would keep alive Romeo Bragato's aspirations for the region.

Tom McDonald's family home was on the boundary of Henry Tiffen's vineyard. As a child he watched the grapes being picked, and in his school holidays he washed bottles at the Mission. Within 5 years of joining Bartholomew Steinmetz he had leased the business. He was only 19 years old.

Despite his prodigious capabilities, the early years were tough for Tom McDonald. During the Depression wine sales slumped, but still he was able to buy neighbouring land when it became available: seven acres in 1931, and a further five acres in 1938. Plantings were Pinot Meunier, Chasselas and Cabernet Sauvignon.

When Bartholomew Steinmetz died in 1943, McDonald bought the original five acres, and a year later sold out to Christchurch based Ballins Breweries, staying on as manager. Thanks to new capital, land holdings were expanded and a modern winery, McDonald's Wines, was built on the Church Road site. The operation was an industry leader. Its

1965 Cabernet Sauvignon vintage, "the finest commercial red wine ever produced in New Zealand," was matured in French oak barriques for a year then bottle-aged for a further three years.

In partnership with Australian wine producer McWilliams, who bought out Ballins Breweries in 1962, McDonald's Winery grew to be the dominant player in Hawke's Bay wine making. Tom was influential in establishing the Wine Institute of New Zealand in 1975, an initiative which Romeo Bragato had heartily recommended 85 years earlier.

Tom McDonald retired from wine making in 1976, but stayed on as a director and consultant at McWilliams until the company was purchased by Corbans in 1981. He died in 1987, two years before the vineyard established by Bartholomew Steinmetz passed into the hands of Penfolds Wines, a subsidiary of the now substantial Montana Wines conglomerate.

Montana renamed the winery Church Road, and in the spirit of Henry Tiffen spared no expense in creating an excellent, state of the art operation. In honour of the past, "Tom" is their premiere Bordeaux style vintage red wine; and the Tom McDonald cellar forms part of the complex of sensitively designed buildings which today include a restaurant and museum.

It's over 100 years since Romero Bragato said, 'the wine industry is an immense source of wealth,' and today Hawke's Bay's wine culture and economy lives up to his words.

## Commissioning Creativity: A winning bid launches the perfect sculpture

By Brooks Belford

Glass artist John Owens was in Morocco last year when he got a phone call saying Jim and Jenny Scotland had placed the winning bid to commission a piece of his work. Many months later, a fused glass, abstract sculpture now shimmers in the Scotland's Havelock home.

Jenny Scotland likes art, but doesn't consider herself a collector, and had no intention of bidding for a commission when she and her husband walked into Creative Hawke's Bay's 2008 Art Invitational Opening Night. Local artist Nic Scotland, their daughter, had urged them to attend. The Scotlands were unaware that an auction was in store, much less that on offer was the chance to commission an artwork from several well established, participating artists.

John Owens was one such artist, with a glass arts career spanning 35 years. His work graces local sites such as the Hastings Opera House, Saint Andrews Church in Hastings and Saint Luke's in Havelock. Jenny, already familiar with John's work, was interested in adding a glass piece to the paintings and sculpture in her home. Soon enough she was bidding for his commission. "I'd bought at auctions before," Jenny says. "I knew what I was doing and I knew the price I was prepared to pay." She was not surprised at placing the winning bid.

A meeting at the Scotland's home launched the commission process. Says Owens, "I looked at the house and where they hoped to display the new work. We had a few words on what the



John Owens' fused glass and steel sculpture, 3.3m x .3m

art could be. I suggested we do some fused glass." As Jenny recalls it, "I had no clear idea of what we wanted and I really had no idea of how the glass could be worked. I showed him an existing alcove where the piece might possibly go. John said yes, he would come up with some designs, and took all sorts of measurements."

"It was fascinating to see what John could do," says Jenny. "Once he came and saw the space and described the type of thing he wanted do, that was it." Within a week, she says, Owens sent her a picture of a possible design. "The shape and size didn't really change from then on," but the color scheme was extensively revised.

Owens spends about two-thirds of his time fulfilling commissions for institutions, architectural and design firms, and private individuals. Many of the briefs, like the Scotlands', are not very specific. "It allows for a lot of creativity and spontaneity;" but the trick to a successful commission is trust. As John points out, "If they didn't trust me or my reputation, we wouldn't have done the project."

For her part, Jenny says she wasn't worried about not liking the finished product. "I was quite confident that we could work something out. I felt I had full control because he sent me computer images at each stage of the process. I knew what it was going to look like."

But what if the finished piece had not been to her liking? "Well," she says, "you can always sell it." Happily, Owens' work is staying right where it belongs, in the Scotland's home.

Artists up for auction as this year's Invitational Opening Night include Jacob Scott, Stacy Gordine, Prakash Patel, Wendy Whitehead and Jeff Thomson. Commission bids in the past have ranged from \$650 to \$6,500. Proceeds will be used to support Creative Hawke's Bay's 2009 Lecture Series.

In addition to the auction, the Invitational introduces new works by 53 established and emerging contemporary artists. All works are for sale and will be on exhibition at the Hastings City Art Gallery from April 24 to May 31.



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**Kent Baddeley**  
Guest Writer



# How I Learned to Cook

## A Tribute to Rona

It was at a very young age that I discovered the joy of cooking for others, and the more elaborate the cooking, the more I thought of them. This still holds true for me today. So, let's go back to the memories of my first kitchen, the Bridge Hotel, Matawhero, seven clicks south of Gisborne. Land of the Gods!

My grandmother Rona was the chef there, and she ruled her domain with a stiff wooden spoon. This was a world where nothing was kneaded with anything smaller than an elbow. (It wasn't until recently that I understood that comment, particularly with scone making.)

Rona's was a kitchen of true passion and frugal, yet honest flavour. And, as I discovered hauling coal skuttles into that magnificent giant Aga range, hard work! It was on this range that as a six year old or perhaps even younger, I learned many things. Most importantly: the right use of heat is more important to flavour than just about everything.

A busy Saturday night in Rona's kitchen was an evening of moving the embers to generate or dispense heat, and coming to understand that those wonderful aromas were actually developed through the maintenance of the fire. This is how you get flavour, along with knowing the right pan or dish and its reaction to the medium. That's all you really need to know about cookery. Yet it is this knowledge that takes all of your life to learn.

Another life changing gift from wonderful Rona was the comment "You have to be in control of it and it not in control of you." To this end, her aim was to kill or grow her foodstuffs in the most natural, organic way. To her, the season was a gift and the first strawberry was the rarest diamond. And a happy herd with the sun on its back was a sure bet to ultimate, perfect flavour. It was nothing to slaughter and use the offal at blood temperature, but I digress.

Rona's day started by digging the veggies at 5 a.m. Later in the morning, the stock was purchased at the Matawhero Sales Yards. Harry would buy the stock and invariably get stuck with his cronies at the Jolly Stockman, the Pub across the road, much to Rona's distraction. So much so, she would walk to the Stockman and drive the stock back to the farm herself. That stock was fattened and killed on the property for the restaurant.

Rona would preside over every service, and in between times, pickle, bottle and store all the season's bounty from the farm or from favoured growers, and set aside for the year. Her pantry was an amazing place for a youngster to behold. Rows and shelves of the most beautiful foods, including fat golden queen peaches, sweet from being picked at the last possible moment, capturing the sun itself in the jar.

Thinking that sleeping under the stars and life on the road would be a blessing, Rona



Kent's grandmother, Rona

them for the night on their way to Opotiki or Napier, and over the years learnt their stories. Eventually, when they were unable to carry on, she would have them stay in the hotel and look after them until it was time for a burial. One by one, the hotel filled up with retired drovers... in every room!

Running a busy farm to feed the hotel's kitchen, managing the staff, baking and cooking... really, Rona's day never ended. From stoking the fires in the morning and cooking the breakfasts, then boiling all the hotel sheets, to be air dried of course, that the maids brought down in large coppers; to fixing the dinners and suppers. Using only Irish linen, Rona embroidered late into the night, sitting on the safe in the public bar while Harry had his dinner; and retired, finally, in the early hours of the following day.

Rona's cooking career started at age 14 and she walked out of her kitchen at 86!

She never took a drink of alcohol, coffee or tea and never wore makeup in her life. She believed strongly that the seasons would provide all a body could want and that hard work would see her to a "ripe old age".

It was a different time and a different pace back then, but it offers much we can learn. For me, I feel more at home in a kitchen than anywhere else in the world, comforted I guess because I spent the first years of my life in a bassinet in the bay window of Rona's kitchen. But even more because of the pleasure of seeing a team of young chefs trying to create perfect food with the best seasonal produce we can lay our hands on, trying to do her proud.



### Rona's Sally Lunn Cake

Rona gave me this recipe when I got married. It's the best version I've ever had of this old, classic tea cake. Traditionally baked in a ring mold, you can bake it in whatever pan you want.

1 cup of mashed potato

2 cups self raising flour

1 egg

1 small cup sugar

1 cup sultanas

1/2 teaspoon salt

1 cup milk

**Cream potato and sugar and add rest of ingredients.**

**Bake in lightly greased ring mold**

**1 hour 180c.**

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**Brendan Webb  
Columnist**



# Whiteboards Will Do

There is something disconcerting for the layperson seeing economic experts arguing over whether we're receding into a depression, or just depressed about a recession.

The mega-trillion transfusions of freshly printed money being pumped into their ailing economies by United States and Great Britain are starting to make Robert Mugabe's Zimbabwe look like a model of monetary management. Mugabe was clearly impressed by Adolf Hitler's Germany, which churned out so many millions of inflationary deutschmarks that a pound of liverwurst cost the equivalent of six second-hand Panzers.

Prime Minister John Key and his colleagues have resisted trading in the big BMW fleet for a bulk buy of Hyundai Kias, but he has lightened our gloom by suggesting that we could give our long-awaited tax cuts to charities, presumably so they can give them back to us once we've lost our jobs.

Things are so bad that even State-owned enterprise TVNZ has been forced to reduce its legendary corporate largesse by \$25 million. A leaked memo about its fiscal pruning, apart from axing 18 news and current affairs jobs, said the cost-cutting included "reviewing" Koru Club membership for staff, actually requiring receipts when they transport their well-tailored selves around in corporate cabs, and having their allowances for clothing and "grooming" audited. It's got so desperate that TVNZ could be forced to make do with just one prime-time newsreader having to learn how complete an entire sentence on their own.

Mediaeval monarchs who were prone to gross overspending on wars and extravagant lifestyles finally had to back down to rioting peasants and belligerent barons and succumb to parliamentary approval, or in France's case, literally face the chop. Sadly Occupational Safety and Health would almost certainly rule out the introduction of the guillotine here unless its blade was blunt enough to bounce off a soft-boiled egg.

I have always liked the idea of old-fashioned wooden stocks being placed in every city mall, with a plentiful supply of over-ripe Hawke's Bay braeburn apples on hand to exact public retribution on taggers, skateboarders, boy racers and elected officials who fail to meet pre-set budgets. It would be a very cost-effective way of showing local bodies that there is a limit to what the district really needs and what it can afford. The healthy exercise of apple-throwing would surely qualify for a SPARC grant and the stocks could be hired out to the Black Caps for some much-needed practice.

It would be nice to imagine that council officers have been tapping the "delete" key on their calculators and rapidly revising their departmental budgets in the wake of the economic collapse. Hopefully the hum of their office air conditioners has not drowned out the cries of anguish from the streets outside, where Japanese imports gleam unwanted in the nation's car yards and factory managers pore over empty order books.

Some years ago, when I was covering estimates meetings of the then-Hastings City Council,

there was always nakedly keen competition to get the biggest slice of the rates cake. If you had a strong works committee chairman and a weak parks and reserves head, the city could look forward to 12 months of sewers and water mains being dug up while parks burst into fields of rampant paspalum.

Councillors and long-suffering ratepayers were always being told that the city's 100 year-old brick-arch sewer mains had crumbled and a few hundred thousand dollars were needed to stop Heretaunga Street from erupting into a three-mile effluent pit.

After seeing his budgets chopped to save our sewers, the defeated chairman of the library and social services committee would retire to console himself from the mayor's liquor cabinet and bitterly vow to make a stronger case for a bigger non-fiction section next year.

The works committee's failsafe strategy was to keep a continuing base of work on hand, so that councillors began their estimates meetings believing the city would collapse unless it kept building 30 miles of footpaths, 60 miles of sewers and 300 miles of new water mains every year. One would hope that by now every last brick arch sewer on the Heretaunga Plains has been replaced with a gleaming ferro-concrete pipe the size of the chunnel, yet the uprooting of roads and footpaths to expose the city's aged arteries seems to be going at a faster pace every year.

Much of this work is based on the assumption that there will be increasing residential and business expansion. But even Nostradamus would be scratching out his earlier predictions after seeing the scale of the economic collapse buffeting the world at the moment.

Yet local authorities are now undergoing their obligatory long-term planning covering the next decade. It's a costly process which will almost certainly be a complete waste of time. Who can predict what we will need or be able to afford in three years' time, let alone during the next ten?

Our parks could be covered with canvas towns, our big bore sewers turned into underground shelters like tube stations in the London blitz. Everyone could be walking around in council-surplus high-viz jackets and wearing orange cones on their heads while they pick up windfall apples from our orchards.

Forget the long-term plans. They are a bureaucratic make-work scheme to produce a weighty document that is obsolete almost as soon as it is produced. Replace it with a big whiteboard so targets and budgets can be re-written every six months.

Turn Nelson Park, Hastings' most expensive vacant lot, into a communal garden so we can cut household bills by growing spuds on our allotments. Stop building roundabouts and sports parks and put the money into cycleways. It will cut fuel bills, pollution and remove the boy racer problem overnight.

And don't order any more high-viz jackets. The op shops will be full of them shortly.

## Updates

### Help Henare reach youth

Unison has funded construction and running costs for a custom-built mobile barbecue, which will tour Flaxmere and the Hastings District to spread the anti-violence message. The unit is called Tunutunu, Maori for "grilling." The project is one result of the "Enough Is Enough" Hiko led by Councillor Henare O'Keefe last year to protest community violence in the Hastings district.

Cr O'Keefe intends to use Tunutunu (or "TT") on selected weekends to reach families who faced violence issues, and youth out on the streets in the early hours.

Here's what Henare recently reported to **BayBuzz**:

"TT recently made her debut at the Skate Bowl in Flaxmere, 50 youth turned up on the Friday aged from 12 thru to 17, and 30 on the Saturday. As the dialogue began to unfold it was plainly obvious that many of these young people have a host of issues. It was sad to note that some of them have an intimate relationship with "Jack Daniels" and god knows what else. Also sad to note the young girls no older than 14 & 15 out on the street looking for comfort and solace in all the wrong places.

I need further and ongoing sponsorship for sausages, meat patties, sauce, margarine and bread etc. We went through close on 200 sausages & 8 packets of sliced bread on debut, so we're certainly going to need support here as well...

Now that we have generated some trust and familiarity with these kids I want to keep it going and take the relationship further, in the hope that we can and will make a difference. Besides, I promised them I'd be back, not thinking that I'll be needing more supplies."

We published Henare's appeal on the **BayBuzz** website, and people have already begun to help out, one individual promising to make a donation every six months. If you're able to support the Tunutunu outreach with food donations or a contribution toward the supplies, email Henare at [henareokeefe@clear.net.nz](mailto:henareokeefe@clear.net.nz) or phone him at 0274-321-890.

### Kelt quits sports park

"...we have differences relating to the future management of the project and as a consequence the Trust will take direct responsibility for funding and project management," said Trustee Rex Graham of the Sports Park Trust in a press release announcing Kelt's departure. Replies Sam Kelt in an email we've seen: "Kelt Capital has withdrawn all of its services to RSP as a direct result of the improper personal conduct of one of the RSP Trustees." Whoa!

Baybuzz thinks: when the going gets tough, Sam gets going. The most obvious question is whether his one million dollar pledge to the sports park goes with him. If Sam pulls his pledge, Lawrence Yule, either as Mayor or as Chairman of the Sports Park Trust, will need to confirm whether now only \$400,000 of external financing is committed. The Council has only ever claimed \$1.4 million in external funds were committed. Sam, on the other hand, all of a sudden claims in his email missive to have "either verbal commitment/offers, or in principal agreement of a further \$9.0 million of RSP funding (in excess of HDC commitment)."

But we probably haven't seen the last of Sam on this matter. Surely his evidence will be sought during the Environment Court appeal, given that he played such a key role in launching the RSP before Nelson Park was even approved to be sold. He effectively pre-empted a serious review of other options for enhancing sport facilities in Hastings. The Environment Court hearings are scheduled to begin the week of July 6th.

### Water flows at Bridge Pa

The Hastings and Regional Councils have been providing temporary water to residents of Bridge Pa whose individual bores have run dry. And a decision has been made to hook the community into the Hastings reticulated water system. This can be accomplished by next summer, hopefully guaranteeing a permanent water supply for the community before the next dry season. A funding proposal for this project is pending before the Ministry of Health, which has a grant program for the specific purpose of ensuring that small communities have access to safe drinking water. HDC and Regional Council officers are optimistic that the Ministry will come through with 95% of the required funding, with HDC providing the balance.

### Whakatu Action Group

**BayBuzz** understands that Des Ratima and Aggie Paipper of the Action Group were pleased with the tenor of the first meeting (March 5) of the Whakatu Community and Industry Working Group. Hastings Council convened this group to address environmental, health and safety concerns raised by residents in regard to industry operations. Hastings Councillors Robert Burnside and Norm Speers; HDC, HBRC and Fire Service staff, and representatives of businesses like Whakatu Wool Scourers and Tomoana Pelts attended the meeting.

Des Ratima and James Lee of the Whakatu Industrial Park were selected as co-chairs of the Working Group. Minutes record that identification of hazardous chemicals used by industry was discussed and Council will undertake to develop an inventory. The Tomoana Pelts representative said there were some chemicals he was not willing to disclose publicly due to market competition and not safety. Fire and emergency plans were discussed, and Whakatu Industrial Park offered to fund the printing of an emergency evacuation plan for the community.

Subsequent to this meeting, **BayBuzz** received an informative letter from a local officer of the NZ Fire Service outlining the Service's role and responsibilities, as well as the functioning of HB's Hazardous Substances Technical Liaison Committee.

Of note, the letter describes the "risk plans" prepared by the Service on buildings in each locality, such plans to include the type and location of hazardous chemicals. These plans are carried by the Service's first responders to any emergency. However, the letter notes that "pre-event management" of such chemicals rests with the Hastings Council (through its designated Enforcement Officer), and goes on to state: "Because businesses will alter chemical stocks, keeping the risk plans current is difficult, they are under no obligation to advise us of any change of status." **BayBuzz** will seek some further clarification from the Fire Service and HDC.

We have also met with the senior managers at HDC and the Regional Council responsible for pertinent consent and enforcement issues, Mike McGuire and Murray Buchanan, respectively. These were helpful sessions.

We will report more fully on what we have learned and concluded in the May **BayBuzz Digest**.

### HDC senior managers reorganised

Did you notice the recent HB Today advert seeking candidates for each of the top seven management positions at the Hastings Council? Chief Executive Ross McLeod is reorganizing his senior staff and each of the new top positions is open to competitive application. Of course the incumbents can apply, so it will be awhile before we see if there are actually any changes in personnel. If you're interested, the application deadline is April 14 and you can read about the "Executive Leadership" positions on the HDC website.

# Mayor Yule's Math

By Tom Belford



A track event

Mayor Yule says he is “pretty p\*\*\*\*d off” that the sports park is being held up by a group of “five or six” people. Exactly 14,880 people voted to put the track out on Percival Road, he says.

The sports park trust chairman, Rex Graham, adds: “Who do they think they are? It’s arrogant and elitist.”

Let’s try to set the record straight. Here’s what the Hastings Council website says.

Out of 50,144 eligible voters, 14,854 voted to put an athletics track, a 1,000 seat grandstand, and associated parking at Percival Road. At the time, this was called the Percival Road Sports and Recreation Park.

In other words, just under 30% of eligible Hastings voters (and no one elsewhere in the region, of course) voted for a rather limited facility. In their mind’s eye, they saw simply a transplanted Nelson Park. And many of them chose that option as the lesser of two evils — they didn’t want “big box” retail development spoiling the fertile countryside instead.

Then miraculously, the limited track facility metamorphosed into Hastings’ own Incredible Hulk — a \$60 million+ “regional” sports complex complete with velodrome ... all on prime farmland.

The Incredible Hulk wouldn’t garner 14,854 votes today ... and the Mayor knows it. The 9,142 ratepayers (not 5 or 6 elitists) who opposed the sale of Nelson Park back in 2006 would double today — I’ll wager — in opposition to the regional sports park.

The Hawke’s Bay Land Protection Society, in exercising its rights to challenge the sports park, is speaking and acting for thousands of ratepayers who believe this venture represents bad fiscal management, bad land use policy, bad social strategy, bad sports policy and — yes — bad recession relief.

But meanwhile Mayor Yule is frantically trying to cobble together the financing that Sam Kelt has failed to muster. He’s looking to Wellington to bail him out, and it doesn’t help to have the “untidiness” of an Environment Court, and now High Court, appeal against the project.

Nor does it help his case that neither the Napier nor Regional Councils have committed definitive sports park funding in their pending long term plans (LTCCPs). Instead, both are giving themselves plenty of wiggle room.

Even the Hawke’s Bay Today isn’t kissing up to the sports park ... it’s reporting the opposition.

The whole thing could turn to custard.

So the Mayor’s “pretty p\*\*\*\*d off.”

Well, so are plenty of ratepayers who see the sports park as the wrong idea at the wrong place at the wrong time, advanced in complete disregard of due process.

As Chris Ryan wrote in HB Today: “The apoplectic attack by Mayor Yule and others on Mr Baldock and other growers representing many of their fellows, is very sad and unjustified. They are after all the people who have helped make our district’s wealth by their use of the land. Surely they have every right to protest about the cavalier squandering of our prime production soils which are the basis of that wealth.”

## COUNTERPOINT

By Tim Gilbertson



# It's Only Papier-mâché

There’s an urban legend dating from the 1930s that goes like this...

An English tourist was motoring round Germany when he drove round a corner and crashed straight into a German army tank. The tank disintegrated! It was made of papier-mâché. This proved that the whole Adolf “I want to conquer the world” Hitler German rearmament program was a media myth, and the Poms could go back to reading the Times and drinking warm beer. Because there was no danger of another European war.

As the Poms found out at Dunkirk and the New Zealand Division discovered at Ruwheisat Ridge to their cost, the German tanks were made of steel and there were lots of them.

The global warming debate shows similar characteristics. If the worst case scenario is true, the human race will be facing extinction by the end of this century, as the acidification of the oceans causes the release of enough methane to extinguish most life forms.

Even the more moderate predictions postulate sea level rise of almost a metre, which will dislocate hundreds of millions of people who will migrate by land and sea to higher ground. We will be faced with thousands of armed

and angry boat people. The question will then become: Do we kill them at sea or on the beaches, or will they turn up in warships and kill us first?

The argument that we will all solve the problem amicably by holding international conferences is about as tenable as Chamberlain’s famous piece of paper, which promised peace in our time, shortly before the aforementioned Hitler broke all the rules and invaded yet another neighbouring country.

It is all pretty frightening stuff. But historically, when resources get scarce, the guns come out. It would be nice to think that since we are by far the most technically advanced civilization in the history of the world, we could get Bill Gates and Peter Jackson to produce a DVD showing how to solve all the problems of the world in thirty seconds flat. But we can’t even agree to take out Robert Mugabe, stem the AIDS epidemic or stop the Japanese from murdering the whale population just for fun.

So how do we get the entire population of the world to cut carbon emissions by 70% by 2050 is a very big ask. Even for a species that has invented the mobile phone and set foot on the moon. It is sad to think that in a couple of hundred years time the view from Te Mata peak will resemble the surface of the moon.

But what if you bestow free will on highly developed monkeys and they choose to believe in paper moons and papier-mâché tanks as they look for bigger and bigger sand pits in which to bury their heads? Really, what can a poor boy do except join a rock and roll band?!



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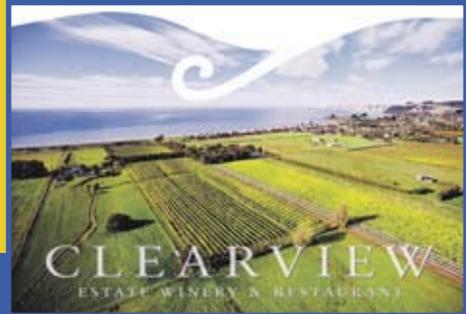
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# BayBuzz BrainFood

A monthly calendar of nutritious food for thought



Welcome to BrainFood, our monthly listing of some of what's going on around town that's intelligent, informative, inspiring and, one way or another, edifying. Please contact the organizations listed for more information and to find out what else they have on offer. And, if there are other events and programs you think we should include, please let us know. Just email [brooks@baybuzz.co.nz](mailto:brooks@baybuzz.co.nz). Special thanks to BrainFood sponsor Clearview Estate Winery & Restaurant.

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by Appointment. 877 7985



### NEW WORKS BY SIMON KAAN

Land, sea and sky still dominate Kaan's new works, but the familiar waka shapes of past works are now replaced by moths, waterfalls and rainbows. Featuring oil and carving on board, these pieces have a dreamlike, mystical feeling reinforced by pale, shimmering colours.  
April 22-May 17. Opening preview  
April 22, 5:30-7pm. BB Art Gallery. Open 12-4pm,  
Thurs - Sun or by Appointment. 877 7985



### THE WOOLSHED SESSIONS

Wellington musicians Age Pryor, Jess Chambers, Justin 'Firefly' Clarke, Andy Hummel, Lee Prebble and others come to town for a single performance that's not to be missed. Expect lashings of lap steel guitar, lush vocal harmony sing-alongs and banjo punctuations from the group that grew out of a week of jamming in a former shearing shed in Takaka. Tickets are limited. Concert is standing room only. April 24, 7:30-9:30pm (gates open 6:30). BB Underground Cellar. \$35  
Book through [www.blackbarn.com](http://www.blackbarn.com)

## EASTERN INSTITUTE OF TECHNOLOGY

501 Gloucester St, Taradale, Napier; 974-8000  
[www.eit.ac.nz](http://www.eit.ac.nz); email: [info@eit.co.nz](mailto:info@eit.co.nz)

NEW "SHORT COURSES" include:  
**Introduction to Photoshop**  
April 30-June 11, 6-8:30. \$135  
Contact: Adele Mareikura 974 8000  
[ex 5019 adelem@eit.ac.nz](mailto:ex 5019 adelem@eit.ac.nz)

**Sylvia Gee's Cooking Class: Savouring Asian Classics** May 7-June 25, 7-10:20pm. \$135  
Contact: Rachel Ericksen 974 8000  
[ex 5033 rericksen@eit.ac.nz](mailto:ex 5033 rericksen@eit.ac.nz)

## ENVIRONMENT CENTRE HAWKE'S BAY

220 Russell St., Hastings 870-4942

**Beekeeping for Beginners Workshop**  
April 11, 9:30 am.

**Lecture: From Land to Sea**  
by Brett Stansfield, Freshwater Ecologist  
April 6, Hawke's Bay Sports Fishing Club,  
Nelson Quay, Ahuriri.



### ECO BUILDING TOUR - HASTINGS/NAPIER

Take advantage of this behind-the-scenes tour of eco-friendly, sustainable local homes. Meet the owners/builders and learn about actual applications of sustainable building and lifestyle technologies including: black & greywater recycling, solar heating, straw bale and earth brick construction, using recycled materials & locally milled timber. Steve Jaycock of Building Biology & Ecology Institute will discuss alternative building and retrofitting options with plenty of time to ask questions.  
April 26, 9am-3:30pm. \$55 (pay in advance)  
Depart from Environment Centre.

### COMMUNITY EDUCATION COURSES

Starting April 4: informative, practical courses to help you manage your home, garden, and environment. Offerings include: **Sustainable Living; Introduction to Permaculture; Native Trees for Hawkes Bay; and Plant Propagation.** Contact Environment Center for full course listings and details.

## HASTINGS CITY ART GALLERY

201 Eastbourne Street East,  
Hastings; 871 5095



### CREATIVE HAWKE'S BAY INVITATIONAL 2009

Emerging and established contemporary artists with a connection to Hawke's Bay. All works for sale. April 24-May 31

### BLACK TIE OPENING NIGHT AUCTION

April 24, 6:30 pm. \$40 (\$20 students), includes wine & canapés. Tickets available from Creative Hawke's Bay 835 7719 or email: [info@creativehawkesbay.co.nz](mailto:info@creativehawkesbay.co.nz)

**FLOOR TALK - LINDA TYLER**  
discusses the artists and their work in the Invitational exhibition. 2 pm.

## HAVELOCK NORTH HIGH SCHOOL

**Community Education**  
Te Mata Rd., Havelock North  
877 8129 (day), 877 8230 (evenings)  
[pa@hnhs.school.nz](mailto:pa@hnhs.school.nz)

**NEW COMMUNITY ED. COURSES**  
including:

**Beginners Guitar - April 27; 8 wks. \$40**  
Tutor: Anthony Mullany 876 1096

**Authentic Indian Cooking -  
April 30; 5wks. \$50** Tutor: Farah Unwala

**Genealogy - May 7; 8 wks. \$25**  
Tutor: Lily Baker 878 9883

## HAWKE'S BAY CHAMBER OF COMMERCE

205 Queen St., Hastings; 876-5938  
[www.hawkesbaychamber.co.nz](http://www.hawkesbaychamber.co.nz)

**BREAKFAST WITH HON PHIL GOFF**,  
opposition leader and former trade minister.  
April 21, 7:30-9am. Mission Estate, Napier.  
\$26

**EXPORT HAWKE'S BAY BREAKFAST:**  
Trading w/ Japan. April 29, 7:30-9am. Old  
Church Restaurant, Meanee. \$17

## HAWKE'S BAY MUSEUM & ART GALLERY

9 Herschell St., Napier  
835-7781 [www.hbmag.co.nz](http://www.hbmag.co.nz)

**FELIX KELLY - A KIWI AT BRIDESHEAD**  
Through April 26

**ETCHINGS BY WENCESLAU HOLAR**  
Opens April 4



### SOMEBODY'S DARLING NAPIER CEMETERY WALKS

If you haven't yet taken one of these special walks, now is the time. Explore local social history through the fascinating stories of the men, women and children buried in this poignant landmark. Includes a special reading by Napier Girls High School students of the cemetery poem written by Peter Wells.  
April 19, 2pm. \$5 adults (children free).  
Payment required at HB MAG reception prior to day of walk.

### LOOK SOUTH - TEXTILES BY CLAIRE PLUG

The dozen or so contemporary art quilts in this exhibition are a response to Plug's recent arts residency experience in Antarctica - a place she describes as "a time capsule, an ark and an early warning station." May 8-Nov 1.  
Exhibition opening: May 7, 5:30pm. Free

**GALLERY FLOOR TALK - URSULA RYAN**  
from the Antarctic Foundation and artist Clare Plug will discuss the *Look South* exhibition and "Artists in Antarctic" programme.  
May 8, 11am. Free

## KEIRUNGA GARDENS ARTS & CRAFTS SOCIETY, INC.

Pufflet Road, P.O. Box 8265, Havelock North  
[www.keirunga.org.nz](http://www.keirunga.org.nz)

**KEIRUNGA ARTISTS' SELECTED  
EXHIBITION**  
Works in all mediums by Keirunga artists.  
April 4-13, 10am-4pm daily. Frank Bacon  
Studio. Contact: Sandy Densem 875 8383

**COURSE: PORTRAIT AS EXPRESSIVE  
DRAWING** suitable for all levels. Fridays,  
2-4pm; starting April 24 (eight weeks). Tutor:  
Paula Taaffe. Frank Bacon Studio.  
Contact: Sandy Densem 875 8383

## LANDMARKS HISTORY GROUP

Meets 2nd Tues each month Hastings Library  
Contact: Michael Fowler 027 4521 056

**LECTURE: NOTABLE TREES OF HASTINGS**  
by Ewan McGregor April 14, 5:30pm.  
Gold Coin.

## LIVE POETS SOCIETY

**Open poetry readings.** Meets monthly at Hastings Community Arts Center, Russell St, Hastings. Contact: Jenny Dodson 876 3463  
[jenny-dodson@xtra.co.nz](mailto:jenny-dodson@xtra.co.nz)

### CHOCOLATE FISH NIGHT!

Local poets are invited to use one or all of 6 predetermined lines in an original poem and land a chocolate fish. "People come up with diverse and wonderful interpretations of the lines. Even poets who have not read in public before rise to the bait!" April 6, 8-10pm. Free  
Contact: Jenny Dodson



**GUEST POET: CHARLOTTE SIMMONDS**  
Join the Wellington based poet and established playwright for original poetry reading.  
May 11, 8-10pm. Free

## WILLIAM COLENZO COLLEGE

**Adult Continuing Education**  
Arnold St, Napier 833 6751  
[www.colenzo.school.nz](http://www.colenzo.school.nz)

**NEW COMMUNITY ED. COURSES  
including:**

**Beginner German - May 7; 8 wks. \$35**

**Intro Maori language - May 4; 8 weeks. \$40**

**De-Colonisation Te Tiriti o Waitangi -  
May 5; 8 wks. \$40**

**World Music, Percussion & Drums -  
May 5; 8 wks. \$40**

## MOSTLY ACOUSTIC MUSIC GROUP

**Open to all musicians, including vocalists.**  
Meets last Weds of every month.  
8pm. Take Five, Marine Parade, Napier.  
Contact: Richard Nicholson 878 4643.

## NAPIER BOYS HIGH SCHOOL

**Adult Continuing Education**  
Chambers St, Napier  
Contact: Elysha Wykes 833 5904  
[ewykes@nbhs.school.nz](mailto:ewykes@nbhs.school.nz)

**NEW CONTINUING ED. COURSES  
including:**

**Beginners Guitar - April 27; 9 wks. \$45**

**Astronomy - April 28; 9 wks. \$45**

**Beginners Italian - April 29; 10 wks. \$40**

**Basic Creative Writing - April 29; 9 wks. \$38**

**Japanese Cuisine - May 6; 5 wks. \$38**

## POPPIES BOOKS STORE

26 Havelock Rd, Havelock, ph: 878 8706

**AUTHOR TALK: MICHELE POWERS**  
on her debut novel *Weathered Bones*.  
April 7, 6:30pm

**AUTHOR TALK: JANICE MADDEN**  
on *The Price* April 20, 6:30

## WAIMARAMA MAORI TOURISM

P 879-9302 M 021 057-0935  
[www.waimaramamaori.com](http://www.waimaramamaori.com)

**WALK WITH THE  
ANCESTORS TOUR**  
Explore stunning 15th  
Century Maori ancestral  
and archaeological site  
while learning about the  
history of the area and how people lived. Not  
your usual Maori history tour.  
Daily, 10am, departing Waimarama.  
Phone for tour details & bookings.

