



LOCAL GOVERNMENT COMMISSION

REVIEW OF HAWKE'S BAY REGION, WAIROA DISTRICT, HASTINGS DISTRICT, NAPIER CITY AND CENTRAL HAWKE'S BAY DISTRICT

Commission's Findings and Decisions

**REVIEW OF HAWKE'S BAY REGION,
WAIROA DISTRICT, HASTINGS DISTRICT, NAPIER CITY AND CENTRAL
HAWKE'S BAY DISTRICT**

1.0 INTRODUCTION

1.1 This document is published pursuant to the provisions of section 37ZZTJ(a) of the Local Government Act 1974 (the "Act").

1.2 On 29 September 1997, the Hastings District Council, Napier City Council and the Hawke's Bay Regional Council ("the proposers") jointly submitted five valid proposals affecting local authorities in the Hawke's Bay Region. The proposals were for:

- the establishment of a single unitary authority for the Hawke's Bay Region;
- the abolition of the Hawke's Bay Regional Council, the union of Hastings District and Napier City to form a new district, and the Council for that district and the Central Hawke's Bay and Wairoa District Councils to be unitary authorities;
- a single territorial authority taking in Wairoa District, Hastings District, Napier City, and Central Hawke's Bay District, with the Hawke's Bay Regional Council remaining in existence;
- the abolition of Hastings District and Napier City and the constitution of two new districts, the boundary between the two being the Tutaekuri River;
- the union of Hastings District and Napier City.

1.3 The five proposals put to the Commission followed on from the Hawke's Bay Local Government Study 1997, commissioned by the Hawke's Bay Regional Council.

1.4 The Commission has noted that of the 14 options assessed in the study, two - the proposal for a single unitary authority and the proposal for the union of Hastings District and Napier City - have been submitted to the Commission as proposals. The proposal for the union of Hastings District and Napier City was the option recommended by the consultants who undertook the study. This option emerged once the study was underway.

1.5 The Commission commends the Hawke's Bay Regional Council for initiating the study, and the Napier City Council for the peer review of the study which it commissioned. Both documents assisted the Commission in its review of local government in Hawke's Bay.

2.0 PRELIMINARY CONSULTATION

2.1 Under section 37ZZQB of the Act, the Commission sought the views of the proposers, the Central Hawke's Bay and Wairoa District Councils, Hawke's Bay Chamber of Commerce, Hawke's Bay Federated Farmers, Joint Local Authority Maori Consultative Committees, Hastings District Rural Community Board, Hawke's Bay District Council Reorganisation Committee, the Wairoa District Council Maori Committee and a number of government departments and agencies. The Commission also held public meetings within the local authority districts affected by the proposals where the proposals were discussed, and where the Commission's responsibilities and the possible outcomes for the proposals were explained.

3.0 UNDERTAKING A REVIEW

3.1 After receiving the proposals and undertaking preliminary consultation, the Commission was required, under section 37ZZS of the Act, to consider whether to carry out a review of the affected districts in accordance with section 37ZZTB. This possibility was explored in the preliminary meetings involving the affected councils and interested parties, and in the public meetings in the affected districts. This process attracted a number of submissions. In addition to the proposers and the other affected authorities, two submissions were received from central government agencies, and six from the public or community groups.

3.2 The submissions contained varying opinions on -

- the patterns of communities of interest in the Hawke's Bay Region and their relationships with other communities
- whether or not good local government would be best promoted by any particular proposal or by an alternative option
- the most appropriate structure of local Government for the Hawke's Bay Region.

3.3 Specific alternative structural arrangements suggested to the Commission included:

- maintaining the status quo
- the establishment of a single Hawke's Bay territorial authority
- the establishment of a unitary authority for the Hawke's Bay Region
- the division of Wairoa and Hastings Districts at the Mohaka River
- the merger of Hastings District and Napier City into a new territorial authority
- the retention of the rural community board structure existing in Hastings District
- the establishment of urban community boards in a new district, formed from the merger of Napier City and Hastings District
- the inclusion of Wairoa District in a unitary authority with Gisborne District;

- the establishment of specific Maori wards.

3.4 Given the number and range of issues raised in the preliminary submissions and arising from the consultations regarding a review, the Commission concluded that the most appropriate means of forming a judgement on the merits of the various issues put to it would be to carry out a review of local government in the Hawke's Bay Region, Wairoa District, Hastings District, Napier City and Central Hawke's Bay District.

4.0 MATTERS CONSIDERED IN THE REVIEW

4.1 The Commission resolved to undertake the review on 8 May 1998 and then proceeded to give notice of the review. In its notice, the Commission stated that it would -

- (a) Consider what system of local government in the Hawke's Bay Region, Wairoa District, Hastings District, Napier City, and Central Hawke's Bay District would best meet the criteria specified in sections 37ZQA to 37ZRA of the Act.
- (b) Consider, when determining which system of local government best met the criteria -
 - (i) which system would best promote the good local government of the affected districts;
 - (ii) which system would best result in districts -
 - with the resources necessary to enable their local authorities to carry out their functions, duties and powers;
 - which would be appropriate for the efficient and effective exercise of local authority functions, duties and powers; and
 - with a sufficiently distinct community of interest or sufficiently distinct communities of interest;
 - (iii) which system of representation would best meet the criteria specified in section 37ZRA of the Act; and
 - (iv) whether the good local government of any district would best be promoted by-
 - the existing system of communities and the functions, duties and powers of community boards;
 - an alternative system of communities; or
 - a change in the functions, duties and powers of the community boards.
- (c) Consider any other matters within the Commission's jurisdiction, whether in accordance with Parts IIB or IIBB of the Act, or some other statutory provision, but not the performance of the affected Councils or their staff.

4.2 The various parties referred to in section 37ZZTF of the Act were notified and supplied with a copy of the statement of review, and informed that they would be given the opportunity to meet and be heard by the Commission.

4.3 By the closing date for submissions the Commission had received 47 submissions. In addition to the submissions of the five affected local authorities, submissions were received from other local authorities, two central government departments, members of the public, and other interested organisations. A list of those who made submissions is attached as an Appendix to this Statement.

5.0 HEARING AND CONSIDERATION OF SUBMISSIONS AND OTHER INVESTIGATIONS

5.1 To meet its obligations under section 37ZZTF of the Act, the Commission heard submissions in Napier on 3 and 5 November 1998, Hastings on 4 November 1998, Wairoa and Waipawa on 20 November 1998 from those who wished to be heard, and from others who had made written submissions. At these meetings, the Commission heard submissions from the proposers; the Wairoa and Central Hawke's Bay District Councils; the Bay of Plenty, Wellington, Canterbury and Waikato Regional Councils; and 23 other people who spoke on their own behalf or on behalf of an interested organisation.

6.0 SUMMARY OF MATTERS RAISED IN SUBMISSIONS

6.1 The main points raised in the submissions were as follows:

(a) *with regard to the proposal for a single unitary authority for the Hawke's Bay Region -*

- that the proposal was supported;
- that the proposal was opposed;
- that the establishment of a unitary authority might be the eventual outcome of the evolutionary reorganisation of local government in the Hawke's Bay Region;
- that with the assets of the affected local authorities combined the economic situation would be vastly improved to a position where substantial rates decreases would be experienced;
- that the unitary authority model eliminates actual and potential overlaps in regulation;
- that unitary councils are not able to provide the transparent separation of provision of services from planning and regulatory enforcement of use of services;
- that there are significant cost savings to be made through elimination of duplication;

- that unitary authorities tend to be located in smaller areas of population where there is a degree of remoteness;
- that the unitary authority option is most likely to deliver good local government in an efficient manner and on a cost effective basis;
- a unified structure would facilitate a clear focus on strategies that best ensure the well-being of the region as a whole
- that it would be unlikely for financial savings to be made by moving to a unitary authority;
- that the management and control of natural and physical resources should be kept quite separate from community service and asset management currently exercised by district councils;
- that the operation of a unitary authority could conservatively allow a 20% reduction in current total expenditure at present primarily collected from rates;
- that Hawke's Bay people tend to work, invest, live and have recreation across multiple political boundaries within the region;
- that separation of regulatory functions from other functions will best be facilitated by providing for regional environmental regulatory functions to be allocated to a different local government agency than one whose functions allow promotion of, and active involvement in, development;
- that regional environmental regulatory functions should be separated from territorial development oriented functions;
- that there are no sound reasons for altering either the common boundary between the present Bay of Plenty region and the present Hawke's Bay region or the boundaries of the territorial authorities where they coincide with the regional boundary.

(b) *with regard to the proposal for the abolition of the Hawke's Bay Regional Council, the union of Hastings District and Napier City to form a new district, and the Council for that district and the Central Hawke's Bay and Wairoa District Councils to be unitary authorities -*

- that the proposal was supported;
- that the proposal was opposed;
- that Wairoa District and Central Hawke's Bay District each have an insufficient rating base to support the functional requirements of a unitary authority;
- that small unitary authorities have the potential to split river catchments;
- that the establishment of more than one unitary authority in Hawke's Bay would fail to see advantages materialise in terms of economies of scale, avoidance of duplication, consistency of regulatory and service delivery approaches.

- (c) *with regard to the proposal for a single territorial authority taking in Wairoa District, Hastings District, Napier City, and Central Hawke's Bay District, with the Hawke's Bay Regional Council remaining in existence -*
- that the proposal was supported;
 - that the proposal was opposed;
 - that the responsibility of the new territorial authority should be to provide services;
 - that the proposal would provide an adequate critical mass for good government;
 - that the proposal would remove all confusion, reduce the cost and effort in submitting plans and allow a one-stop shop approach for information, advice and resource consents.
- (d) *with regard to the proposal for the abolition of Hastings District and Napier City and the constitution of two new districts, the boundary between the two being the Tutaekuri River -*
- that the proposal was supported;
 - that the proposal was opposed;
 - that the proposal provides for a distinct community of interest based on Napier;
 - that two existing natural and distinct urban/rural communities of interest would be recognised;
 - that Napier City is the natural centre of community of interest for rural dwellers living to the west and north of Napier City.
- (e) *with regard to the proposal for the union of Hastings District and Napier City -*
- that the proposal was supported;
 - that the proposal was opposed;
 - that the competitive advantages of both the City and District would be diminished by amalgamation;
 - that amalgamation would create a most unwieldy and cumbersome structure and would be very unlikely to generate any financial gains;
 - that Napier and Hastings have different communities of interest and their own special character;
 - that the proposal would represent a significant step forward in regional cooperation;
 - that Napier has a distinct community of interest;
 - that the Napier City Council very effectively manages its business as a territorial local authority;

- that amalgamation of Napier City Council and Hastings District Council would save between \$33 million and \$51 million over a 10 year period;
- that a Twin City Council, encompassing Hastings and Napier be established.

6.2 A number of submissions outlined alternative suggestions for the reorganisation of local government in Hawke's Bay:

- that the new regional configuration should include the full traditional Ngati Kahungunu boundary from the Whare-o-Rata (Wharerata) hills in the north to the Remu-o-Taka (Rimutakas) in the south. The seaward boundaries being Paritu in the north and Turakirae in the south;
- that two territorial authorities be established; one based on the Hawke's Bay Regional Council in the north and a new southern territorial authority from Dannevirke to Featherston;
- that two districts be formed from the existing Hastings District, with the boundary between the two being the Tutaekuri River;
- that there should be 3 territorial authorities in Hawke's Bay;
- that the Dannevirke ward of Tararua District Council be included in a Hawke's Bay local authority;
- that Tararua District be included in the Hawke's Bay Region;
- that a unitary authority be established for the Tairāwhiti-Hawke's Bay area, underpinned by community boards based on the current territorial local authorities;
- that a unitary authority be established, encompassing the Gisborne District and Hawke's Bay Region;
- that any amalgamation would not be final and complete until a return was made to the historical boundary of Hawke's Bay Province;
- that the regional functions of the Gisborne District Council be combined with the Hawke's Bay Regional Council, with two territorial local authorities - one covering the area from the Whareratas to the East Cape, the other from the Whareratas to the Manawatu;
- that there should be a single territorial authority encompassing the area from Wairoa to Tararua;
- that Wairoa District be merged with the Gisborne District Council;
- that the Mohaka River be the boundary between the Wairoa and Hastings Districts;
- that the northern boundary of Napier City be extended to encompass the PanPac Mill, and the adjacent residential areas of Whirinaki Road and North Shore Road;
- that a unitary authority be established, involving the existing Central Hawke's Bay District, Napier City, Hastings District and Wairoa District south of Mohaka.

- 6.3 The Commission notes that a proposal initiated by a number of residents of Wairoa District, seeking a boundary alteration between the Wairoa and Hastings Districts, is currently being processed by the Wairoa District Council in accordance with the Act.
- 6.4 General comments regarding the review of local government in Hawke's Bay included:
- that the status quo be retained;
 - that the existing local authorities remain, subject to enhanced cooperation and extension of joint venture arrangements;
 - that the functions between the Hawke's Bay Regional Council and the territorial authorities could be rationalised for better quality of service and efficiency;
 - that the Napier City Council very effectively manages its business as a territorial local authority;
 - that the Government is considering major reform of roading management which is likely to create considerable change in the future function and form of local government. This may impact on the system that would best promote good local government in Hawke's Bay;
 - that the Hawke's Bay Regional Council has a very enlightened approach to environmental management;
 - that the Hawke's Bay rating base is too small to support the level of local government regulation currently in existence;
 - that retention of the Hastings District Rural Community Board is paramount;
 - that there is a complete lack of co-ordination and consistency between the existing authorities;
 - that there is little public ratepayer desire for a change in structure of local government in Hawke's Bay;
 - that there should be proportional representation for Maori on local authorities;
 - that the Hawke's Bay Regional Council retain its shareholding in the Port of Napier;
 - that the Port of Napier shareholding of the Hawke's Bay Regional Council and the cash surpluses resulting from investments should be transferred to a new infrastructure fund.

7.0 CONSULTATION WITH AFFECTED COUNCILS

- 7.1 The five affected Councils, including the three proposing Councils, were consulted prior to the Commission deciding to undertake this review. In their formal submissions on the review the Councils put forward a range of differing views on the proposals:

- the Central Hawke’s Bay District Council argued for its retention;
- the Hawke’s Bay Regional Council favoured a merger of the four existing territorial authorities;
- the Wairoa District Council favoured the creation of a unitary authority for the Tairāwhiti-Hawke’s Bay area;
- the Napier City Council sought the retention of the status quo;
- and the Hastings District Council favoured a unitary authority for the Hawke’s Bay Region.

The Councils and their officers cooperated fully with the Commission.

8.0 DISCUSSION OF PROPOSALS IN RELATION TO CRITERIA

- 8.1 Section 37ZQA(1)(a) of the Act requires the Commission to satisfy itself that a proposal or scheme will “promote the good government” of the districts concerned. With regard to the word “promote”, the Commission is conscious that it has various meanings, but is satisfied that in the context of the legislation, the clear intention was that the word have the meanings: to advance, help forward, enhance, or improve. The expression “good local government” is not defined in the Act. However, the Commission has adopted a view, based on section 37K of the Act (which sets out the purposes of local government) that the achievement of those purposes would be the basis of good local government. Additionally, section 37ZQA(1) itself, by listing various requirements to be met, can, in the Commission’s opinion, be accepted as a strong indicator of matters to be taken into account in determining what may be good local government. When considering the various criteria set out in subparagraphs (i) to (iv) of paragraph (b) of 37ZQA(1), the Commission must consider also the factors in subsection (2) of that section.
- 8.2 By conducting a review, the Commission could also consider, in terms of section 37ZZTB(2)(a), which system of local government for the affected districts best meets the criteria specified in sections 37ZQA to 37ZRA of the Act.
- 8.3 By considering all of the above factors, the Commission interpreted the expression “promote good local government” as meaning to come to a view whether implementation of any proposal would best improve or enhance the ability of the local authorities for the proposed districts to achieve the purposes of local government as set out in section 37K.

9.0 CONSIDERATION OF PROPOSALS

- 9.1 The five proposals submitted by the proposers, together with additional proposals put forward by submitters to the review, reflect a wide range of views in terms of the appropriate future structure for local government in Hawke’s Bay. What was noticeable was that 34 out of 47 submissions favoured a change from the present position. This desire for change is unusual.

9.2 Each proposal was considered by the Commission in terms of the criteria specified in section 37ZQA of the Act.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.3 This is the principal criterion which the Commission must satisfy itself would be complied with if a proposal were given effect to. Given its importance, the Commission decided that whether a proposal promotes good local government can only be determined once the criteria in paragraph (b) of this subsection, and the additional matters for consideration in subsection (2) of this section have been considered.

Proposal for the establishment of a single unitary authority for the Hawke's Bay Region

Subsection (1)(b)

(i) Whether the authority or authorities continued in existence would have the resources necessary to enable them to carry out their functions, duties and powers.

9.4 The affected authorities are presently able to fund their functions, duties and powers from their current resources, whether by way of expenditure directly from revenue or loans secured against future revenue. The Commission considers that the proposed unitary authority would have the resources necessary to ensure the continued performance of those responsibilities.

9.5 The Commission is satisfied that the criterion is met in respect of the proposal.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.6 The area of the proposed new district - approximately 1.279 million hectares - would make it the largest territorial authority district in New Zealand. In this context, the unitary authority would have significant practical advantage in that territorial planning for the areas currently covered by four territorial authorities would be undertaken by one Council.

9.7 The Commission is satisfied that the criterion is met in respect of the proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

9.8 Distinct communities of interest would exist within the proposed area of the unitary authority. These distinct communities of interest are based on Wairoa, Central Hawke's Bay and Napier-Hastings. A unitary authority could be

structured to provide effective representation for the distinct communities of interest.

9.9 The Commission is satisfied that the criterion is met in respect of this proposal.

(iv) *Whether the proposed authority would be able to meet the requirements of section 223 of the Act.*

9.10 The Commission is satisfied that the proposed unitary authority would be able to maintain governing and administrative structures which would comply with the requirements of this section.

9.11 Various suggestions for a unitary authority were put forward to the Commission. Some submitters were concerned with the potential risks associated with a unitary authority exercising both territorial authority and regional council powers. The Commission was not persuaded that it was impossible or not feasible to arrange for appropriate separation between regulatory and other functions.

9.12 The Commission is satisfied that the criterion is met in respect of this proposal.

Subsection (2)

(a) area of impact of the functions, duties, and powers of the proposed local authority; and

(b) area of benefit of services provided.

9.13 The Commission considered the area of impact of functions, duties, and powers of the proposed authority and the area of benefit of services provided and concluded that the proposed district would be appropriate for the delivery of those functions and services. Service networks or areas of benefit would not be split between districts, if anything they would be brought together.

Subsection (2)

(c) Likely effects of the exclusion of any area from the proposed district.

9.14 Giving effect to this proposal would require small parts of the Rangitikei and Taupo Districts which currently fall within the Hawke's Bay Region to be included in adjoining regions. The Commission considers that these areas could be included in adjoining regions without detriment to the discharge of regional council functions.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.15 The Commission acknowledges the potential savings in the cost of democracy and local government services that can be brought about through a unitary authority. The ability of a unitary authority to establish a one-stop shop for local government services was also noted.

9.16 In its submission to the Commission, the Wairoa District Council recommended that a unitary authority also encompass the Gisborne District. The Commission wishes to thank the Council for raising this proposal. However, as the Gisborne District did not form part of the original proposals put to the Commission, and was not one of the districts subject to the review, the Commission does not have the jurisdiction to provide for any prospective union of Gisborne District with another district or districts. The Commission has noted the arguments made by the Wairoa District Council in favour of the proposal and acknowledges that this may well be a matter of discussion between representatives of the Gisborne District and Hawke's Bay local authorities.

9.17 The Commission considers that the proposal for a unitary authority, based on the combined areas of the current Central Hawke's Bay, Wairoa and Hastings Districts and Napier City, would promote the good local government of the districts concerned.

Proposal for the abolition of the Hawke's Bay Regional Council, the union of Hastings District and Napier City to form a new district, and the Council for that district and the Central Hawke's Bay and Wairoa Councils to be unitary authorities.

Subsection (1)(b)

(i) Whether the authority or authorities continued in existence would have the resources necessary to enable them to carry out their functions, duties and powers.

9.18 The affected authorities are presently able to fund their functions, duties and powers from their current resources, whether by way of expenditure directly from revenue or loans secured against future revenue. However, the Commission considers that the Wairoa and Central Hawke's Bay Districts are too small - in terms of population and land area - to support regional council functions.

9.19 The Commission is satisfied that the criterion is not met in respect of this proposal.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.20 For the reasons outlined in paragraph 9.18 above the Commission does not consider that the districts would be appropriate for the efficient and effective exercise of local government functions, duties and powers. Furthermore, the proposal, if implemented would result in the Tukituki River and Mohaka River catchments being split between unitary authorities.

9.21 The Commission is satisfied that the criterion is not met in respect of this proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

9.22 Distinct communities of interest would exist within the proposed area of the unitary authority. These distinct communities of interest are based on Wairoa, Central Hawke's Bay and Napier-Hastings.

9.23 The Commission is satisfied that the criterion is met in respect of this proposal.

(iv) Whether the proposed authority would be able to meet the requirements of section 223 of the Act.

9.24 The Commission is satisfied that the proposed unitary authorities would be able to maintain governing and administrative structures which would comply with the requirements of this section.

9.25 As mentioned previously, various suggestions for a unitary authority were put forward to the Commission. Some submitters were concerned with the potential risks associated with a unitary authority exercising both territorial authority and regional council powers. The Commission was not persuaded that it was impossible or not feasible to arrange for appropriate separation between regulatory and other functions.

9.26 The Commission is satisfied that the criterion is met in respect of this proposal.

Subsection (2)

(a) area of impact of the functions, duties, and powers of the proposed local authority; and

(b) area of benefit of services provided.

9.27 The Commission does not consider that the three unitary authorities, and in particular the proposed unitary authorities for Central Hawke's Bay and Wairoa Districts, would be able to undertake regional council functions in the various parts of their districts in a more effective and efficient manner than the current Hawke's Bay Regional Council.

Subsection (2)

(c) Likely effects of the exclusion of any area from the proposed district.

9.28 The establishment of three unitary authorities for an area which is currently served by one regional council would result in the fragmentation of responsibilities for resource management across the wider Hawke's Bay. The Commission considers that such fragmentation would have a detrimental effect on the development of effective resource management strategies for the Hawke's Bay.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.29 Taking into account the resource constraints that would exist in the Wairoa and Central Hawke's Bay Districts to perform the regional council functions, and the division of river catchments which would occur with the implementation of this proposal, the Commission is satisfied that the proposal does not promote the good local government of the districts concerned.

Proposal for a single territorial authority taking in Wairoa District, Hastings District, Napier City, and Central Hawke's Bay District, with the Hawke's Bay Regional Council remaining in existence.

Subsection (1)(b)

(i) Whether the authority or authorities continued in existence would have the resources necessary to enable them to carry out their functions, duties and powers.

9.30 The affected authorities are presently able to fund their functions, duties and powers from their current resources, whether by way of expenditure directly from revenue or loans secured against future revenue. The Commission considers that a single territorial authority established through implementation of this proposal would have the resources necessary to carry out its functions, duties and powers.

9.31 The Commission is satisfied that the criterion is met in respect of this proposal.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.32 The area of the proposed new district - approximately 1.279 million hectares - would make it the largest territorial authority district in New Zealand. In this context, the territorial authority would have significant practical advantage in that territorial planning for the areas currently covered by four territorial authorities would be undertaken by one Council.

9.33 The jurisdiction of the territorial authority would be similar, although not identical, to that of the Hawke's Bay Regional Council. The Commission considers that two councils exercising differing functions over similar geographic areas would not make for better local government. The Commission is therefore of the view that this proposal would not result in effective or efficient local government.

9.34 The Commission is satisfied that the criterion is not met in respect of this proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

9.35 Distinct communities of interest would exist within the proposed area of the territorial authority. These distinct communities of interest are based on Wairoa, Central Hawke's Bay and Napier-Hastings. The authority could be structured to provide effective representation for these communities of interest.

9.36 The Commission is satisfied that the criterion is met in respect of this proposal.

(iv) Whether the proposed authority would be able to meet the requirements of section 223 of the Act.

9.37 The Commission is satisfied that the proposed authority would be able to maintain governing and administrative structures which would comply with the requirements of this section.

9.38 The Commission is satisfied that the criterion is met in respect of this proposal.

Subsection (2)

(a) area of impact of the functions, duties, and powers of the proposed local authority; and

(b) area of benefit of services provided.

9.39 The Commission considered the area of impact of functions, duties, and powers of the proposed authority and the area of benefit of services provided and concluded that the proposed district would be not be appropriate for the delivery of those functions and services in an effective or efficient manner.

Subsection (2)

(c) Likely effects of the exclusion of any area from the proposed district.

9.40 The question under this heading is not relevant to the proposal. Giving effect to the proposal would not leave a remainder authority with diminished resources through the loss of part of its district.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.41 Taking into account the jurisdictional issues raised in paragraph 9.33 above, the Commission is satisfied that the proposal does not promote the good local government of the districts concerned.

Proposal for the abolition of Hastings District and Napier City and the constitution of new districts, the boundary between the two being the Tutaekuri River.

Subsection (1)(b)

(i) Whether the authority or authorities continued in existence would have the resources necessary to enable them to carry out their functions, duties and powers.

9.42 The affected authorities are presently able to fund their functions, duties and powers from their current resources, whether by way of expenditure directly from revenue or loans secured against future revenue. The Commission considers that the loss to the current Hastings District of a significant portion of its rural hinterland would adversely impact on the resources of the District to carry out its functions, duties and powers.

9.43 The Commission is satisfied that the criterion is not met in respect of this proposal.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.44 Under this proposal the two districts would both have urban communities and a large rural hinterland. This is not an uncommon situation for territorial authorities and the councils could be structured to ensure effective representation.

9.45 The Commission is satisfied that the criterion is met in respect of this proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

9.46 The proposal would sever a common community of interest in Hastings District which is currently served by representatives of the Kaweka and Tutira Wards and the Rural Community Board.

9.47 Furthermore, this proposal does not recognise the common community of interest which has developed between Hastings District and Napier City. This community of interest is discussed in detail below.

9.48 The Commission is satisfied that the criterion is not met in respect of this proposal.

(iv) Whether the proposed authority would be able to meet the requirements of section 223 of the Act.

9.49 The Commission is satisfied that the proposed authority would be able to maintain governing and administrative structures which would comply with the requirements of this section.

9.50 The Commission is satisfied that the criterion is met in respect of this proposal.

Subsection (2)

(a) area of impact of the functions, duties, and powers of the proposed local authority; and

(b) area of benefit of services provided.

9.51 The Napier City Council is focused on delivering services to a principally urban area. The Hastings District Council has developed the capability to service both its urban area and the large rural area within the district. The Commission does not consider that delivery of services to the rural parts of the current Hastings District would be enhanced through the rural area being divided between two new districts.

Subsection (2)

(c) Likely effects of the exclusion of any area from the proposed district.

9.52 Giving effect to the proposal would result in the territorial authority for the area to the south of the Tutaekuri River having diminished resources to enable it to carry out its functions.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.53 Given that the proposal would sever several communities of interest and impact on the viability of the southern district to perform its functions, duties and powers, the Commission is satisfied that the proposal does not promote the good local government of the districts concerned.

Proposal for the Union of Hastings District and Napier City.

Subsection(1)(b)

(i) Whether the authority or authorities continued in existence will have the resources necessary to enable them to carry out their functions, duties, and powers.

9.54 The affected authorities are presently able to fund their functions, duties, and powers from their current resources, whether by way of expenditure directly from revenue or loans secured against future revenue. The Commission considers that the proposed combined authority would have the resources necessary to ensure the continued performance of those responsibilities.

9.55 Several submitters identified savings that they believed would be achieved through the union of the two districts. While the Commission acknowledges that savings may be achieved through the combination of resources of the two Councils, the impact that this may have on rating by a new Council would depend upon the internal policies adopted by a new Council relating to how its services would be delivered and funded.

9.56 The Commission is satisfied that the criterion is met in respect of the proposal.

(ii) Whether the authority or authorities would have a district or districts which would be appropriate for the efficient and effective exercise of local government functions, duties, and powers.

9.57 The area of the proposed new district - approximately 530 000 hectares, would make it the fourth largest territorial authority district in the North Island, after Gisborne, Ruapehu and Taupo Districts. In this context, the union of Hastings District and Napier City would have a significant practical advantage in that

territorial planning for the whole of the Heretaunga plains could be dealt with by a single territorial authority.

- 9.58 With the Heretaunga Plains aquifer system providing 85% of the water requirements for Hastings District and Napier City, both districts are concerned with the maintenance of the water supply and the preservation of its purity. The union of the two districts would enable the new district to enhance the territorial planning for areas located above the aquifer system.
- 9.59 The nature of local government services to be delivered over an enlarged district would be largely unchanged. Implementation of the proposal may require administrative changes but the Commission considers that any necessary changes in approach would be readily achievable. Given the ability of the local authority for an enlarged district to add any necessary expertise needed for the administration of the district, the Commission believes that implementation of the proposal would create a district which would be appropriate for the effective and efficient exercise of local government functions, duties, and powers.
- 9.60 For a local authority to adequately carry out its functions, duties and powers, particularly those under specific legislation such as the Resource Management Act, there is a need to attract and retain staff. In the view of the Commission, the larger administrative base of the new authority, and the career opportunities that it will bring, would enable the authority to attract and retain highly competent staff. This should not be taken as a comment on the competency of the staff of the current Councils.
- 9.61 The union of the Hastings District and Napier City would facilitate a reduction in the current duplication of services. Also, with services being required for a population of 120 000 there may be considerable potential for the new Council to achieve cost savings in service delivery through economies of scale.
- 9.62 The Commission is satisfied that the criterion is met in respect of the proposal.

(iii) Whether the authority would contain within its district sufficiently distinct communities of interest.

- 9.63 The Napier City and Hastings District Councils are to be commended for the initiatives they have taken to date in working on issues of common interest and in rationalising services. The City and District have established a partnership for the Omarunui Landfill and have been working on other initiatives to rationalise delivery of common services. The Commission has also noted the recent move to a single newspaper for the Hastings-Napier area, the establishment of the Hawke's Bay Regional Hospital in Hastings and the development of the new link road between Hastings and Napier. These initiatives reflect the extent of the common community of interest between Hastings District and Napier City. Such linkages would be further enhanced through the union of Hastings District and Napier City.

- 9.64 Several submitters argued that the distinctive attributes of both Hastings and Napier, such as the Art Deco focus of Napier, and Hastings' promotion as the Spanish Mission City, would be lost through union. The Commission acknowledges the considerable success that both the District and City have achieved in marketing these features, but considers that the union would not prevent the effective marketing of the distinctive features of the Hastings and Napier areas. Indeed union should provide enhanced use of marketing and promotional competencies.
- 9.65 In presenting its draft reorganisation schemes for local government in Hawke's Bay in December 1988, the Commission then considered that the communities of interest that centred on Hastings and Napier were distinct. The Commission noted the relatively low percentages of employees working in one area while residing in the other. At that time, just over 6% of Napier City residents were employed in Hastings, while less than 4% of Hastings' residents were employed in Napier City. Information obtained from the 1996 Census shows a significant increase in the flow of workers between the two areas, with now over 14% of Napier City residents employed in Hastings District and almost 9% of Hastings District residents employed in Napier. The new link road between the two districts will provide further impetus for commuter travel between the two urban areas.
- 9.66 The Commission has also noted that a number of organisations with interests across both Napier City and Hastings District have developed, reflecting the strong common community of interest. These include Vision 20/20, the Hawke's Bay Chamber of Commerce and the Hawke's Bay Cultural Trust. The Commission has also noted the rationalisation of emergency and health services between the two districts.
- 9.67 Given the widespread mobility of residents of both areas and their use of recreational facilities across the areas serviced by the existing authorities, implementation of the proposal would give them a more direct say in planning for, and the provision of recreational facilities in the area covered by the new authority.
- 9.68 The Commission has also noted the urban development which has taken place in both districts over the last decade. This includes residential developments in the Taradale area of Napier City and the Havelock North area of Hastings District.
- 9.69 The Commission is satisfied that the criterion is met in respect of the proposal.
- (iv) *Whether the proposed authority would be able to meet the requirements of section 223 of the Act.*
- 9.70 The Commission is satisfied that the local authority of a larger district would be able to maintain governing and administrative structures which would comply with the requirements of this section.
- 9.71 The Commission is satisfied that the criterion is met in respect of the proposal.

Subsection (2)

(a) area of impact of the functions, duties, and powers of the proposed local authority; and

(b) area of benefit of services provided.

9.72 The Commission considered the area of impact of functions, duties, and powers of the proposed authority and the area of benefit of services provided and concluded that the proposed district would be appropriate for the delivery of those functions and services.

Subsection (2)

(c) Likely effects of the exclusion of any area from the proposed district.

9.73 The question under this heading is not relevant to the proposal.

Subsection (1)(a) - Whether the proposal will promote the good local government of the districts concerned.

9.74 The Commission considers that this proposal reflects a common community of interest that has developed between Hastings District and Napier City and will promote the good local government of the districts concerned.

10.0 DETERMINATION OF BEST FIT TO CRITERIA FOR GOOD LOCAL GOVERNMENT

10.1 Having addressed the detailed matters referred to in the provisions of section 37ZQA of the Act, the Commission is satisfied that two of the proposals meet the criteria specified in section 37ZQA of the Act. These proposals are for:

- the establishment of a unitary authority for the Hawke's Bay Region; and
- the union of Hastings District and Napier City.

10.2 The Commission further considered the overall question of the promotion of good local government for the residents of the affected districts. In this regard the Commission has a number of comments.

10.3 The obligations imposed by section 37ZQA of the Act will only be met if the Commission is satisfied that, -

- implementation of a proposal will improve or enhance the ability of the affected local authorities to achieve the purposes of local government as set out in section 37K of the Act; and
- all the requirements of section 37ZQA(1)(b) are met.

- 10.4 Legislation enacted since 1989 has, in the Commission's view, increased the demand for competencies in local government. Larger authorities, with their greater and more broadly-based resources, will tend to have an advantage in providing the needed competencies.
- 10.5 The Commission considers that there is a need for long-term resource management strategies. The integrity of such strategies must be maintained if an authority is to be able to respond to the wishes and aspirations of its residents.
- 10.6 Likewise, an authority must be sufficiently resourced to be able to deliver the long-term forecasts and information necessary for it to put meaningful and realistic financial planning into effect.
- 10.7 Of the two proposals that have met the criteria specified in section 37ZQA of the Act the Commission, taking into account the functions of local government at the present time, considers that the proposal for the union of Hastings District and Napier City would best promote the good local government of the districts concerned. The Commission acknowledges that any changes to local government functions and powers could provide a basis for reconsideration of the structure of local government in Hawke's Bay.
- 10.8 The Commission is of the view that the district formed from the union of Hastings District and Napier City would have the resources necessary for good local government. Furthermore, there would be enhanced opportunities for rationalisation of administrative structures within the combined district which could result in cost savings.
- 10.9 The Commission is also of the view that good local government would best be promoted by adopting the proposal and providing for sufficiently distinct communities of interest within the new district. The Commission notes that the union of Hastings District and Napier City was the preferred option identified in the Hawke's Bay Local Government Study 1997.

11.0 DETERMINATION OF APPROPRIATE SCHEME

- 11.1 The Commission is satisfied that the union of Hastings District and Napier City would best promote good local government for the residents of the District and City. The union would enable a single local authority to be established which would be able to engage staff with all the skills needed to provide ratepayers with an appropriate support service and the provision of appropriate local government support services.
- 11.2 The Commission is proposing that the new Council come into existence at the date of the 2001 local elections. This is to give sufficient time for new arrangements, such

as administrative structures and rating policies, to be established prior to the date of constitution.

12.0 BOUNDARIES (REQUIREMENTS OF SECTION 37ZR)

- 12.1 The Commission certifies that, in respect of a union of Hastings District and Napier City, the boundaries of the districts affected would still conform with the boundaries of the Hawke's Bay Region.
- 12.2 The Commission also certifies that the boundaries of the affected districts, as proposed to be amended, conform to the boundaries of statistical meshblock areas determined by Statistics New Zealand and used for Parliamentary electoral purposes.
- 12.3 The requirements of section 37ZR of the Act would therefore be met.

13.0 REPRESENTATION AND MEMBERSHIP

- 13.1 The proposal for the union of Hastings District and Napier city requires the Commission to fix appropriate membership and representation for the new district. The criteria for fixing membership are set out in section 37ZRA of the Act which provides as follows -

“Where a principal local authority or the Commission is required to determine the membership of a local authority as a consequence of any reorganisation proposal or reorganisation scheme, the principal local authority or the Commission, as the case may be, shall -

- (a) Provide for the effective representation of the electors of the local authority; and*
- (b) Comply with the requirements of sections 101C, 101CA, 101D, 101E, and 101L of this Act; and*
- (c) Take into account the need to provide effective and accountable local government; and*
- (d) Take into account the functions, duties, and powers of the local authority.”*

Paragraph (b) of the section requires compliance with a number of other sections in the Act. Briefly, the provisions of these sections (other than 101L) are as follows,-

- *Section 101C* states that a territorial authority's membership shall be not less than 6 nor more than 30;
- *Section 101CA* fixes the membership of regional councils;
- *Section 101D* authorises the division of territorial authority districts into wards, requires that regions be divided into constituencies, and prohibits some members of a territorial authority being elected from wards and some at large; and

- *Section 101E* provides that at least one member of an authority shall be elected from each ward or constituency, and states who may elect councillors and community board members.

13.2 Section 101L is the principal legislation in this group, especially subsections (2) and (3) which provide as follows,-

“(2) In determining whether the Council is to be elected by the electors of the district as a whole or by the electors of two or more wards and in determining (where necessary) the number and boundaries of wards, ... the Commission shall ensure -

- (a) That the election of members of the council by the electors of the district as a whole or by the electors of the two or more wards whose number and boundaries are determined will provide effective representation of communities of interest within the district; and*
 - (b) That ward boundaries coincide with the boundaries of current statistical meshblock areas determined by the Department of Statistics and used for Parliamentary electoral purposes; and*
 - (c) That, so far as is practicable, ward boundaries coincide with community boundaries.*
- (3) In determining the number of members to be elected by the electors of any constituency or ward, ... the Commission shall ensure that the electors of the constituency or ward receive fair representation having regard to the population of every constituency or ward within the region or district and, if the circumstances so require, the rateable values, areas, or other relevant characteristics of the various constituencies or wards.”*

13.3 Napier City does not have a ward structure, and all councillors are elected at large. The present wards and membership for the Hastings District Council were confirmed by the Commission in March 1998, when its determination of appeals resulted in a change to the Council’s decision. The District is divided into wards so to provide effective representation for the various communities of interest. In addition, the District has a Rural Community Board with two rural Councillors appointed and four elected members.

13.4 In terms of section 101L of the Act, the Commission in determining the fairness of representation, must have regard primarily to population, but if this factor alone does not in the opinion of the Commission, achieve fairness then regard should be given to rateable value and area or other relevant characteristics of the various wards.

13.5 Napier City and the urban wards of Hastings District have a similar population base, of approximately 54000 and 57000 respectively. The Commission is of the view that both of these areas should each be formed into a ward of the new district. This would provide for effective and accountable local government for each of these areas.

13.6 The new district will have a large rural hinterland, which has two distinct areas separated by the Ngaruroro River. These areas are differentiated by their population density and land use. The northern area, which comprises approximately two-thirds of the rural area within the district had a usually resident population of 4404 persons at the time of the 1996 Census, compared with 4824 persons for the area to the south of the river. The northern area has a significant amount of steep hill country which is increasingly being used for plantation forestry. The southern area graduates from moderately step hill country in the west to river terraces and flat plains in the east. The river terraces and plains areas are intensely cultivated. The Commission considers that each of these areas has a distinct community of interest and that separate representation for each area is desirable to provide for effective and accountable local government.

13.7 The Commission proposes that the district have four wards:

- the Napier Ward will encompass the areas included within the current boundary of Napier City
- the Hastings Ward will encompass the areas included within the current Clive, Flaxmere, Hastings, Havelock North and Heretaunga Wards of Hastings District
- the Northern Rural Ward will encompass the areas included within the current Kaweka and Tutira wards of Hastings District
- the Southern Rural Ward will include the areas encompassed by the current Maraekakaho and Poukawa Wards of Hastings District.

13.8 For the new district the Commission considers that population provides an appropriate basis for determining fairness of representation. The Commission proposes a Council of 15 elected representatives, made up of a Mayor elected at large and 14 Councillors elected from the four wards.

13.9 The representation of each ward shall be -

- | | | |
|-----------------------|---|-----------------|
| • Napier Ward | - | six councillors |
| • Hastings Ward | - | six councillors |
| • Northern Rural Ward | - | one councillor |
| • Southern Rural Ward | - | one councillor. |

13.10 In terms of the usually resident population at the time of the 1996 Census, the population per councillor ratio is as follows:

| Ward | Population | Number of Councillors | Population per Councillor |
|----------------|------------|-----------------------|---------------------------|
| Napier | 53,460 | 6 | 8,910 |
| Hastings | 57,051 | 6 | 9,508 |
| Northern Rural | 4,404 | 1 | 4,404 |
| Southern Rural | 4,824 | 1 | 4,824 |

13.11 The Council for the new district, to be named the Napier-Hastings City Council, would come into effect at the date of the 2001 local elections.

14.0 COMMUNITY STRUCTURE

14.1 As mentioned above, Hastings District currently has a Rural Community Board. The Commission gave its consent to the Hastings District Council's proposal for a Hastings District Rural Community - comprising the areas of the Kaweka, Maraekakaho, Poukawa and Tutiri Wards - in July 1992. In reaching its decision, the Commission considered that the common rural interest of the residents of the Community was an appropriate community of interest. The Commission was also of the view that the Community Board would allow for the effective participation of the residents of the Community in the government of their part of Hastings District. There was also acceptance that the proposed powers of the Community Board would assist the Council in the efficient and effective exercise of its powers and functions.

14.2 Given the large rural area within the combined district the Commission is of the view that it would be beneficial for good local government to continue with a rural community board at this time. The Commission therefore proposes that a rural community board, with a membership of four elected members and two appointed members, be established for the new City.

14.3 Given the large rural area in the District north of the Ngaruroro River the Commission proposes that three of the four elected Community Board members be elected from the area encompassed by the Northern Rural Ward, with the fourth member elected from the area encompassed by the Southern Rural Ward. The Councillors representing these two wards would be appointed to the Community Board.

15.0 POWERS OF THE COMMUNITY BOARD

15.1 The existing Community Board currently has power to make recommendations to the Council on all matters of concern to the community. These recommendatory powers appear to have worked satisfactorily. The Commission received a number of submissions arguing for the retention of the Rural Community Board. None of the submitters argued for the broadening of the board's powers. It would be a matter for the new Council to determine the functions, duties and powers of the Community Board pursuant to section 101ZZ of the Act.

16.0 TRANSITIONAL COMMITTEE

16.1 The draft reorganisation scheme provides for a transitional committee to be established by the Hastings District Council and Napier City Council to,-

- (a) appoint a person to be the Chief Executive of the Napier-Hastings City Council;
- (b) undertake preparatory work for the Council's 2002/2003 draft annual plan; and
- (c) make recommendations to the new Council on:

- the location of Council offices and service centres;
- funding and rating policies for the City; and
- such other administrative matters as are required to ensure that the Council is able to function effectively from the day it comes into existence.

16.2 In recommending administrative structures to the new Council the transitional committee may wish to give consideration to the suggestions put forward in the Hawke's Bay Local Government Study 1997.

17.0 CONSIDERATION OF OTHER MATTERS

17.1 There are two other matters which the Commission considered merited further consideration. These issues relate to, -

- the Government's proposals for change to the responsibility for the provision and maintenance of roading; and
- the time taken to complete consideration of the proposal.

Proposed Changes to roading Legislation

17.2 The Government has recently announced its intention to promote changes in the way in which roads in New Zealand are constructed and administered. If the direct responsibility for the construction and maintenance of roading ceases to be a direct local government responsibility, many of this country's territorial authorities may need to give serious consideration to the way in which the provision of local government services is organised. The Commission did not believe that it was appropriate to take account of possible legislative change in this area as a factor in its consideration of this proposal. Future changes will, of course, require consideration of appropriate future structures.

Delays in Process

17.3 The time which has elapsed since the Commission first received advice of the proposals (1 October 1997) to the preparation of this decision is approximately seventeen months. While this is a lengthy period for the consideration of proposals, there are three main factors which have contributed to this. These are now discussed.

General Matters Affecting the Commission

- 17.4 During the period from the beginning of November 1997 until the end of March 1998, the Commission was fully engaged in the determination of appeals relating to territorial authority and regional council proposals for the members to be elected at the local authority elections in October 1998. This is a statutory responsibility of the Commission, and was required to be completed before the end of March 1998.
- 17.5 At the end of March 1998 the then members of the Commission went out of office, and were not immediately replaced. Two members (but not the chairperson) were appointed in mid-April 1998, but one member was then required to take the former Chairman's place on the Representation Commission which was, at that time, completing its determination of parliamentary constituencies. That meant that the Commission could not function.

Commission's Resources

- 17.6 The number of support staff available to the Commission remains inadequate. The following are extracts from the Commission's annual reports to Parliament for the years ended June 1997 and 1998.

1997 Report

"When the Commission had a "peak" in its workload, it was supported by a permanent staff of 5, and found this number to be barely sufficient for the task. The permanent staff has now been reduced below that level, so the Commission looks upon the coming few months with some unease."

1998 Report

"In its report for the year ending 30 June 1997 the Commission expressed concern about the level of staff available to support the Commission. This concern remains. If the Commission is to fulfil its statutory obligations and make better progress in dealing with proposals, it needs, in addition to improved legislation, sufficient, expert, support staff."

- 17.7 The present Commission is determined to significantly reduce delays in dealing with future proposals by adopting the following strategy:
- it will focus upon improvements it can make to its procedures within the existing legislation; and
 - it will work to promote changes to the governing legislation which will, among other things, reinforce the importance of focused consultation and expeditious decision-making by the Commission.

18.0 DECISIONS

- 18.1 After considering, -

- the submissions it had received before and after the commencement of the review from the proposers, the other affected councils, other local authorities, government departments, the public, and other interested organisations;
- the information it had obtained in its own investigations since the receipt of the proposals; and
- the provisions of Parts IIB, and IIBB of the Act,

the Commission made the decisions outlined in the following paragraphs.

18.2 The Commission, -

- considered what system of system of local government in the Hawke's Bay Region, Wairoa District, Napier City, Hastings District and Central Hawke's Bay District would best meet the criteria in sections 37ZQA to 37ZRA of the Act; and
- being satisfied that, of all the proposals put to it, a scheme resulting from the proposal of the union of Hastings District and Napier City would best promote the good government of the District and City;

resolved, pursuant to section 37ZZTI of the Act to issue a draft reorganisation scheme under section 37ZZV of the Act which will implement the proposal for the union of Hastings District and Napier City, to become the Napier-Hastings City, with effect from the 2001 local elections.

18.3 The Commission considered which system of representation would best meet the criteria specified in section 37ZRA of the Act and resolved that the draft scheme would make provision for representation of the residents of the new City through -

- the establishment of a Napier Ward for the area of the present Napier City, to be represented by six members;
- the establishment of a Hastings Ward for the area of the present Clive, Flaxmere, Hastings, Havelock North and Heretaunga Wards of Hastings District, to be represented by six members;
- the establishment of a Northern Rural Ward for the area of the present Kaweka and Tutira Wards of Hastings District, to be represented by one member;
- the establishment of a Southern Rural Ward for the area of the present Maraekakaho and Poukawa Wards of Hastings District, to be represented by one member; and
- a Mayor elected at large.

18.4 The Commission considered whether the good local government of the Napier-Hastings City would be best promoted by a system of communities; and

resolved that the draft scheme provide for -

- the establishment of the Napier-Hastings Rural Community Board comprising four elected members (three from the Northern Rural Ward and one from the Southern Rural Ward) and two appointed members, being the members of the Council from the Northern Rural and Southern Rural Wards; and
- the Napier-Hastings City Rural Community Board to have such powers as may be delegated to it by the new Council.

For the Commission

Sir Ross Jansen, Chairman

Barbara Durbin, Commissioner

Bruce Anderson, Commissioner

3 March 1999