

## Opportunities for utilising voluntary policy methods in natural resource statutory planning

Terry Parminter

PACT Consulting, PO Box 534, Paraparaumu 5254, New Zealand  
Email: [terry.parminter@pactconsulting.co.nz](mailto:terry.parminter@pactconsulting.co.nz)

**Keywords:** resource management act, decision support, negotiation, promotion, education, mentoring

### Background to Natural Resource Policy in New Zealand

The Resource Management Act (RMA; 1991) is the primary policy instrument used in New Zealand to guide natural resource use and environmental practices by primary industries and landowners. The use of all natural resources – air, water, soil, sea, and their associated indigenous biodiversity and ecological functions are all addressed through the RMA. The Act has been a highly successful policy mechanism (Ericksen et al. 2003) and it is now about to enter the third decade since its introduction.

The RMA has three levels of policy administration: central government, regional councils, and territorial authorities (local government). In the Act, each of these authorities has a unique role and responsibilities to fulfil. Regional councils were established in 1989 and they administer the RMA on a catchment basis. Regional plans developed by regional councils set resource use targets, limits and policies for their region and are developed in conjunction with other local government agencies, industries and landowners.

Despite its long history, an area of policy that has been relatively under-developed by Regional Councils is the use of “voluntary policy methods”. In this paper, voluntary policy methods are assumed to be the least coercive methods for behaviour and social change, available to policy makers (Howlett and Ramesh 2003). Their effectiveness are related often to the degree of social unacceptability or approbation with which the target behaviours can be associated.

The use of voluntary methods in regional policy for natural resource outcomes has been of interest to New Zealand members of Australasian and Pacific Extension Network (APEN) for some time. In a recent hearing to review the proposed regional plan for the Manawatu-Wanganui Regional Council, the contribution of voluntary and rule-based methods was considered. APEN members appeared in the evidence of opposing parties (Parminter 2009; Botha 2009; Monahan 2009).

### Voluntary policy methods for policy makers

There is an extensive policy literature about economic policy methods. So much so that some people consider that policy analysis and economic analysis are practically synonymous (Bobrow and Dryzek 1987; Parminter 2009). There have been at least 69 types of policy instruments described in the economics literature alone (Kirschen et al. 1964). However, voluntary policy methods have been less well categorised and explained. There have been few developments on this topic in agricultural extension literature, although the paper by Coutts and Roberts (2003) provides one exception to this.

Generally policy agencies in New Zealand have followed the Resource Management Act (1991) in labelling their voluntary policy methods as “promotion” (RMA part2, section 5(1)), “economic” (RMA part 4, section 24), or “information” (RMA part 4, section 35). When the use of these terms is compared across regional councils they have been given a range of different meanings and associated with different specific policy methods. The New Zealand Auditor General in a recent report (2011) stated that, “The overall quality of the water in our rivers and streams rates well internationally but is deteriorating. My audit shows that we have reason to be concerned about freshwater quality in some parts of the country, particularly in lowland areas that are mainly used for farming [later the report states] non-regulatory approaches and permitted activity rules are not likely to be sufficient to manage freshwater quality within limits”.

Such concerns, similar to those of the Auditor General, show that voluntary policy methods are not being applied well by Local Authorities. Unless there is an improvement in their design and application the situation may well result in increased use of regulations. There is a need for specific types of voluntary policy methods to be identified and described according to their purposes for policy use. The application of the different methods singly and in combination can then be evaluated, compared and improved. Based upon current usage by regional councils and

behaviour change literature in other disciplines (Parminter 2008), the following list provides examples of voluntary policy methods:

- Computer assisted decision support that informs decision making for desired behaviours. For example, the use by Manawatu-Wanganui Regional Council of Overseer<sup>®</sup> as a nutrient management decision support tool to enable appropriate and sustainable use of nutrients by farmers.
- Economic incentives and disincentives to encourage decision makers to make changes by reducing the costs of change and/or increasing their advantages. On their own these may not be enough to justify changes but they can provide an indication of policy direction. An example of such an incentive is where Environment Waikato have provided a 30% financial contribution towards the costs of establishing riparian fencing.
- Negotiation and cooperation with institutions, committees and groups can be a way of sharing the burden of policy implementation, compliance monitoring and enforcement with other organisations. The Dairying and Clean Streams Accord provides an example of this approach.
- Promotion can be used to explain, justify and provide direction about a policy agency's preferred behaviours. An example is the New Zealand Accident Compensation Commission campaign encouraging farmers to drive quad-bikes more safely.
- Education encourages learning about and adaptation to, the need for making changes. It empowers decision makers to understand their own context and if necessary, revise their ways of behaving in the light of new information. Catchment management groups provide examples, e.g. Golden Bay (Aorere 2009).
- One-on-one direct contact with decision makers tends to be used as the "fall-back" method used by regional councils, despite its high operational costs. It is generally well supported by communities and enables staff to customise their expertise to suit the requirements of decision makers. Land management officers in a number of Councils, e.g. Greater Wellington Regional Council, working directly with landowners are an example of this approach.

### **Use of voluntary policy methods**

The agricultural industries have expressed a preference for the use of non-regulatory policy methods for natural resource management, and they do have a lot of capability with these methods (DairyNZ 2009). However, their industry strategies do not always put a priority upon working with policy agencies for environmental outcomes. The current use of accords and joint research projects goes some way towards overcoming this lack of alignment.

Regional plans under the RMA can include both voluntary policies and rules. A review of existing regional plans suggests that the terms for many voluntary behaviour methods are used interchangeably both between and within regional plans (Parminter 2010). In the policy sections of a regional plan there is a need for voluntary policies and rules each to be guided in different and specific ways. Voluntary policies can be effective when the limiting human and social behaviours are described clearly along with the desired behaviours. They also need the stakeholders and community segments described (Parminter 2008). As an alternative to including voluntary policies in statutory documents it is possible for the statutory documents to refer to nonstatutory supporting strategies that can guide voluntary policy methods to achieve the same objectives.

### **Combining voluntary policy methods and rules**

Voluntary policy methods can be combined with rules and with each other. Combining rules with voluntary methods is one way to obtain the benefits of both, whilst limiting their individual disadvantages. Rules and regulations provide clear descriptions of the behaviours desired by regulators. However on their own, rules may transfer unexpected costs to decision makers and they tend to penalise any early adopters that cannot pass on their extra costs to anybody else. The use on dairy farms of new systems of effluent disposal to land rather than to waterways is one example, where considerable additional capital expenditure (up to \$50,000) has been required (Parminter 1995). The extra costs of the effluent systems were not able to be passed on to consumers.

Combining policies involving computer assisted decision support and economic incentives, with policies using education, promotion and direct contact with decision makers, is one way to address attitude change as well as providing financial inducements. Education, promotion and direct contact with decision makers influence behaviour by providing greater understanding, encouragement, social support and strengthened capability and skills. These types of methods rely upon positive and constructive relationships within the affected communities and between

them and the intervening policy agencies. Ideally, these relationships will have initially been strengthened through a participatory community consultation process as part of developing policy documents such as regional plans (Parminter et al. 2011). Positive relationships should not be taken for granted. Strengthening relationships, generating and receiving feedback and adapting policy methods will require deliberately including policies for negotiation and cooperation with stakeholder groups and organisations.

Building upon the rules-framework it will be possible to discuss and negotiate around the degree of alignment between the purposes and goals of policy agency and the other parties. It will also be possible to discuss the combined resources and how much capability might be available collectively to address the policy issues in support of the proposed rules.

### Conclusions

In conclusion, an extensive range of voluntary policy methods are available and have been described for RMA policy makers in this paper. Unlike the use of rules, policies with voluntary methods in existing regional plans have tended to lack clear objectives and strategies. The use of voluntary methods has often been fragmented and poorly targeted. By taking a more strategic approach to their inclusion, voluntary methods can effectively and efficiently address many regional natural resource issues. Describing voluntary policy methods with greater specificity will ensure that they are applied efficiently by education and extension staff, industry and landowners to achieve targeted outcomes.

### Key learnings:

- Statutory documents in New Zealand, including regional plans in the past, have provided limited and often insufficient direction to extensionists and others implementing the voluntary policy methods they describe.
- A lack of direction has resulted in staff in regional councils becoming disillusioned in their potential to contribute towards achieving improved resource management on agricultural and horticultural properties.
- A greater understanding of the range of voluntary methods available and how they can be applied will improve the design of policy instruments for human and social behaviour change.

### References

- Aorere (2009). Aorere: our river our catchment. NZ Landcare Trust. Hamilton, New Zealand. <http://www.landcare.org.nz/user-content/1318-aorere-booklet-sm.pdf>.
- Botha CAJ (2009). The Statement of Evidence before Hearing Commissioners at Palmerston North. Fish and Game, Wellington.
- Coutts J and Roberts K (2003). Extension Models and Best Practice. Proceedings of the APEN Extension Conference, Hobart. <http://couttsjr.com.au/assets/Uploads/Papers/apen2003couttsja.pdf> accessed September 2011.
- DairyNZ (2009). Strategy for New Zealand Dairy Farming: Mapping the course for our country's dairy farming industry. Online at <http://www.dairynz.co.nz/file/fileid/14354> accessed March 2010.
- Ericksen NJ, Berke PR, Crawford JL and Dixon JE (2003). Planning for Sustainability: New Zealand under the RMA. New Zealand, International Global Change Institute, The University of Waikato, Hamilton.
- Howlett M and Ramesh M (2003). Studying public policy: policy cycles and policy subsystems, Ontario, Oxford University Press.
- Kirschen E, Benard J, Besters H, Blackaby F, Ackstein O, Faaland J, Hartog F, Morissens L and Tosco E (1964). Economic policy in our time, volume 1, general theory, Amsterdam, North-Holland Publishing Company.
- Monaghan R M (2009). The Statement of Evidence before Hearing Commissioners at Palmerston North. Manawatu-Wanganui Regional Council, Palmerston North.
- New Zealand Government (1989). Local Government Amendment Act No 1, Wellington, New Zealand.
- New Zealand Government (1991). Resource Management Act No 69, Wellington, New Zealand.
- Office of the Auditor General (2011). Managing fresh water quality: challenges for regional councils.
- Parminter IA (1995). An economic analysis of the incentives for change towards more sustainable agriculture in two farming systems in New Zealand. MPhil thesis, The University of Waikato. Hamilton.
- Parminter TG (2008). An examination of the use of a human behaviour model for natural resource policy design and implementation by government (central and regional) agencies. PhD thesis, The University of Waikato. Hamilton.
- Parminter TG (2009). The Statement of Evidence before Hearing Commissioners at Palmerston North. Fonterra Co-operative Group Limited, Auckland.
- Parminter TG (2010). Enhancing effectiveness of voluntary policy measures. A client report for the Ministry of Agriculture and Forestry. PACT Consulting & MAF.
- Parminter TG, Gunn I, and Pawson R (2011). Your view about our environment: public engagement (2010) for the Natural Resource Regional Plan Review for the Wellington region. Greater Wellington Regional Council, Wellington.