

New Zealand Biosecurity Institute
“Like no Other” Annual Conference at New Plymouth 1 August 2014

Formation of NEXT

Annette and Neal Plowman in mid March 2014 agreed to the formation of:

- NEXT Foundation;
- endowed with \$100 million.

The capital is to be spent over the next 10 years in education and conservation projects in New Zealand, probably about equally, but there is “no rule”. The Foundation is chaired by Chris Liddell, who is New York based. I am a director, with two others, Barrie Brown and Carol Campbell chartered accountants. Our Chief Executive Officer is Bill Kermode – Bill’s background in business is with the Auckland based private equity firm Direct Capital Limited. That is ideal background in business project identification, analysis and investment decision-making.

NEXT EOI Process

Today (1 August 2014), NEXT’s CEO will be responding to all the 287 EOIs we have received. That number is gratifying. We have spent an intense time reviewing and classifying them, with our Advisory Panel. He will set in train the selected few that we will be seeking to focus upon over the next year.

There are a number of points to be made. I will put aside the education focus for NEXT (but I will come back to that when I outline the Rotoroa Island and Project Janszoon conservation projects (Abel Tasman National Park)). Just looking at conservation for the purposes of this conference, what NEXT has received from around New Zealand is:

- humbling
- challenging
- exhilarating.

Humbling: In our local communities, there are people, some on their own, or in small groups, who work very hard on conservation projects. They are provocatively intelligent, scantily resourced, and amazingly energetic and focussed. Their community service is a joy to witness. The way they seek to make New Zealand a better place is humbling.

Challenging: The thoughtfulness and innovative approach of groups is challenging. NEXT Foundation’s Board are business people. Our inclination – bias if you will – is careful project description, phased work budgets, strong evidence based work programmes, and measurable outputs. This is the standard business model. I will come back to explain the importance of that, when I refer to some of our existing project experience, with Abel Tasman National Park.

Exhilarating: Many EOIs are highly intelligent concepts. They show or seek to establish rigorous science, which we need to be able to understand. NEXT has an outstanding Advisory Panel, with technical knowledge and skills in both sectors. We greatly benefit from the Panel input.

We have to take the approach to transformation and large scale projects because we have very small management capacity – a CEO, and an Auckland based office with administrative support. This is deliberate, seeking to:

- minimise the consumption of the \$100 million in overhead;

- maximise the philanthropic spend per \$1.00 of capital.

It necessarily means that what we regard as successful project potential must have outstanding project leadership and project capacity.

NEXT will spend time and development money, on building large scale project capacity. NEXT will not commit the proposed scale of between \$5 and \$15 million for any project without being as certain as possible of outstanding project leadership.

Evaluation process and our approach to leadership

We evaluate the EOIs in this order:

- the clear statement of the problem being addressed, and how the proposed solution will change that position
- the proposed project and its solution will likely be transformational for New Zealand
- quality of leadership and management
- wide measurable impact
- evidence/science based approach, both to the concept, and to the measurement points of impact of the scale we seek of around \$5 to 15m
- sustainability - meaning that the project will either effect permanent change, or it will be supportable in future (NEXT has a 10 year time horizon).

These are tough criteria, both for the applicants, and for us in evaluation. Whatever is selected, we cannot "run" the particular projects ourselves. We certainly intend to have a close supervisory role, probably at the board of director level through our CEO, and possibly with further support. Detailed and phased work programmes and budgets take time to develop and to detail through, and then to negotiate with the relevant 3rd parties.

For what are start up projects, it is also likely that we will contribute expenditure control systems and require audited accounts annually. Our CEO has wide experience in investment project appraisal and selection in private equity ventures, and so brings that skill base to the EOIs. Because some are quite technical, in science and in education theory, we have an Advisory Panel, some of whom have that kind of background and expertise.

Once we get to the - say three - four very best of them in conservation, by about November, it is probable that we will seek formal and personal presentations before the Panel members. "Are we confident that these people are actually capable of doing this work, effectively and well? Are we sure that we are putting the \$5m - 15m into safe and competent hands? What are these people really like to deal with?" These are my own questions, and personal perspective. The reason I have expressed them like this is simple. It is the people who are the project leaders, who will have to do the work, and make the prescribed difference. Our own team must know who they are and to have "run the ruler" over them. The quality of the people involved is crucial. We do not necessarily have to like them, but that also helps.

Some of the common EOI Conservation themes

Of the well over 100 conservation project EOIs received by NEXT (in the order of about \$1 billion in total) there are some striking features. Those numbers are not precise, because of the crossover in numerous projects between conservation and education.

In the comments that follow, I do not intend any criticism of any of them. There is more of a joining of the dots approach that comes from the national perspective we have, because of the public invitation that we offered.

From Kaitaia to Southland:

- around New Zealand, there are local groups of people who are seriously concerned about the decline of the kiwi population, and who are actively doing some amazing things about that. On current rates of population decline, kiwi will be gone from the mainland of this country over the next three generations. These local groups are into pest control, some in what are quite large areas of land. It is not at all clear, reading through the materials, that they all know who the others are, whether nearby or more broadly. Whatever else we can achieve with NEXT and its website, we can offer an exchange network, for these groups to join, and share their expertise and knowledge. As I will explain shortly, through Project Janszoon, and its trap network in Abel Tasman, we have learnt a lot about trapping, its effectiveness, costs and limits. We are happy to share this knowledge generally.
- more broadly, there is some level of consensus that our national conservation estate is in deep trouble. Literally, within our lifetimes, the quality of that estate has steadily eroded. Sooner, rather than later, we need to come to terms with that, and the consequences. New Zealand is already the world dunce, in terms of loss of its native bird species to extinction. Everyone knows about moa, the Haast eagle and huia, and now the kakapo and kokako poised in the balance, through the great efforts at their protection. The loss of large parts of the native bird population in, for instance, Abel Tasman is notable, something I will come on to shortly. The point is that there seems to be no good purpose in adding to the conservation estate, when we are not looking after what we already own (about 35% of the total land area).
- rivers and water quality are a substantial focus - mostly reflected in locally based EOIs. This week's unedifying spat between the Minister of Conservation and Fish & Game has generated a fair bit of heat, and name-calling, in an area of complex and long standing problems. The poor quality of the Waikato River, as an example, is not just about the effects of intensive farming, let alone particularly the dairy industry. Some of these EOIs reflect a strength of vision as to how we might approach these problems that is encouraging. As with the kiwi protection projects, it is not clear that the local group sponsors know of the work of the others. Again, we see the opportunity of offering an exchange network, to foster such relationships and to promote best practice.

There is a case to be made to bring together a national conservation conference, for the purpose of both identifying the most important issues. This could start the process of seeking to build some level of consensus about how the problems are to be addressed.

The key issue for NEXT is DoC's strategic focus. What are the real jewels in the conservation estate crown? On what basis do we form that view – what are the relevant criteria? Is it necessarily public enjoyment? What is the case for strong protection of biodiversity, although people may never see the particular asset and its asserted jewel like quality? Is DoC currently spending its budget appropriately, to maintain or to enhance those jewels? Is what is being spent effective, efficient and sustainable over the next thirty to fifty years? What is the influence of climate change in respect of these decisions? These are tough questions. If appropriate, they will require some tough decisions.

No one can doubt that many New Zealanders care deeply about the conservation estate. We also seem to address some of these issues with polemics, name calling and slogans. We can do better than that. Take, for instance "dirty dairying", and the pointed

assertions made from some quarters that "they [the dairy farmers] have to pay for the clean up", as if somehow this is going to be "free" for the rest of us. The dairy industry is this country's lifeblood in exports. The idea that, somehow, forcing the industry at its own cost to come to terms with dairy effluent problems affecting water tables and river health is silly. From a national interest perspective, that is not even a great outcome, if it were possible. A healthy, profitable, dairy industry is part of our national wealth base. Our national income depends on that success in the long term. For better or worse, we are all in this together. "Name and shame" is hardly the approach to problem solving effectively. It belittles the efforts of the many farmers who take the issues seriously indeed.

There are substantial costs involved, if we are to make a concerted and effective effort to improve substantially river water quality. A fairly large part of those costs will arise in dairying. Those costs are simply part of production costs, to be absorbed in cost-of-goods sold, and inevitably reflected in prices set in international trade. As consumers, we will all bear part of those costs, just as we do with all other costs. Removing unclean city storm water drains or factory outfalls, and so on, will cost large sums - and we all should understand that there is nothing "free" about that for any of us.

Project Janszoon Trust – Abel Tasman National Park

Project Janszoon is led by Devon McLean. He will also speak to you and answer questions, referring to slides which I cross-reference to.

PJT is not part of NEXT. However, our experience over the past three years with PJT has provided much of NEXT's conservation project evaluation architecture.

As introduction, the Rotoroa Island (Hauraki Gulf) restoration project was our first, starting in 2006. Its 83 hectares, 22,000 pine and macrocarpa trees, hundreds of tonnes of derelict trucks, cars, washing machines, dilapidated buildings from 100 years of use by TSA for its drug and alcohol programme, has seen our benefactors spend \$10s of millions, over the past eight years. Rotoroa's 400,000 + native tree planting is flourishing.

In partnership with Auckland Zoo, DoC and local Iwi, the native bird translocation project is underway. Saddleback and whitehead were first earlier this year. Kiwi are next. I am trying to line up a couple of dozen pairs of takahe. As the trees mature and seed, the bird life will flourish.

Rotoroa is now pest free, completed with a comprehensive mouse eradication programme. It is susceptible to re-infestation from rats, stoats and mice, through people, boats and the close proximity to other islands, including Waiheke. We have the equivalent of the SAS on standby, that will respond immediately when we discover any infiltrator. Our detection tunnel network is intensive, and regularly inspected for unwelcome visitors.

Auckland Zoo's school based education programme on Rotoroa has been fantastic. Rotoroa provides a diverse base for natural and marine science. It is extraordinary to see how many school children have literally never been on a boat, and of their enjoyment of that experience, and what is a giant outdoor classroom surrounded by a marine environment.

Abel Tasman – different scale, and DoC's central role

PJT is on a different scale altogether, involving a totally different set of paradigms. It is 22,000 ha, with about 160,000 visitors per year, mostly from December to March. It has no road access. It has no electricity. Until we came along, it had no cell phone/internet access. Regrettably, it has the usual collection of vermin and weeds.

- pigs deer goats

- possums rats stoats mice
- wasps
- wilding conifers by the thousands; hakea (another evil export from Australia, like possums) and over 100 other noxious plant infestations.

There are clusters of private houses – at Torrent Bay, Awaroa and two to three other places. Large numbers of visitors enter by ferry, water taxis, kayak and canoe, and by private boats. There is no controlled point of entry.

The coastal front of Abel Tasman has been repeatedly cleared and burnt, in crazy attempts to pasture farm. For a number of reasons, that was always forlorn. Regeneration has followed the creation of Abel Tasman National Park in 1942 – led by an outspoken environmentalist visionary Perrine Moncrieff. Too little is known of this remarkable Nelsonian, and of her foresight. PJT will change that, amongst other things.

It is easiest to understand how we work with the real life example of PJT. I chair its board of six; of which Devon is a member. Chris Liddell and Barrie Brown (both also NEXT directors) are members, along with Dr Philip Simpson, an expert in botany (he has written some fantastic books about cabbage trees, pohutukawa and rata, and the totara) and Gillian Wratt, former CEO of the Cawthron Institute, and former leader of New Zealand's Antarctic programme. We have a three person scientific advisory panel, chaired by Philip. The other two are experts in fauna and pest control. Outside of that formal structure, PJT regularly engages consultants who are expert in particular subject matter.

We have a formal agreement (MOU) with DoC as the custodian and manager of the Park. As will be obvious, PJT is running in parallel with DoC, and its own work programme. We draw on the DoC expertise and experience, all of the time. Without that excellent input, the PJT project could not work effectively. In order to decide that we would commit to it, we needed to be very confident in our project leader, and his effective working relationship with DoC. That was easy, because of his role with us as a director on the board of Rotoroa Island Trust.

The PJT board - particularly me, Chris, and Barrie - have had to spend a lot of time, simply being educated. We do not pretend to have accumulated any expertise. We have to understand the basics of the work programme, and the analytical process or reasoning underlying that. Part of that is to understand our cost base. Every single \$1 matters to us. We are accountable to our benefactors. They take a close interest in what we seek to do, and have regularly visited the particular project sites.

Our accountability is not a tense process - at least so far (project failure is not something any of us would welcome, but with any risk enterprise, we will have our share). We have never had a budget discussion, where they have not supported the decision on funding, running as they have to several million dollars for PJT. My view is that the reason for that is that every proposal is rigorously developed and tested.

Most of the board's business is conducted by email project report updates, as the work programme progresses. We trust our project director. He has authority to get on with it. He comes back to us for help or guidance, when he feels he needs it. If we need to change direction, the door is open. We review the project's direction annually, on site, at a two to three day meeting in late March. The DoC team is closely involved with us in that review process.

A very important aspect of PJT's work is its website. We publish a lot of material about the work programme, and about our intentions. We try to involve the Nelson newspapers, local magazines, and television in the work. We run an "open book" about the project. There are no secrets about the work programme, our agreement with DoC, or anything else. We are happy to receive critical reviews and opinions about the work

programme. If anyone has a better idea on offer as to how we better execute the restoration work, we want to hear from them. We consult widely.

PJT's school project is exciting. We see it as helping to provide a larger population base with direct, hands on, interest in the long term health of the Park. Our education adviser has put together a great "tool box" for schools, to enable the teaching faculty to be confident of their own knowledge base, and to teach effectively.

There are some important points:

- without the partnership relationship with DoC, there would be no PJT. I came to the formation of this relationship as a serious sceptic (and I am pleased to say that I was wrong);
- without the incredible depth of talent we have come to recognise in DoC, we could not have proceeded with the ambitious work programme;
- Abel Tasman Birdsong Trust is a local charity. That has done great work over the years, in pest control, in the front of the Park and achieving making Adele Island pest free (about the same size as Rotoroa) and about 800m offshore. The Birdsong Trust is quite small, but it is well organised, dedicated and resourceful, achieving Lottery Grants Board support for the wilding conifer programme;
- Tasman District Council is particularly supportive of the Park, because of its synergy with the local economy and tourist dollar earning capacity. TDC is a thoughtful, strategic, partner with DoC, for very good reason. We value the professional way in which staff of TDC have gone about the challenging part they play in matters, such as resource consents.

As we have come to understand both the science and "politics" of pest control (largely, about the use of 1080):

- there are some people in this country who have a profound distrust of the Government;
- conspiracy theory abounds including – believe it or not – that we represent and front for Chinese investors, seeking private control over the conservation estate;
- extending from a distrust of the Government, also is a distrust of science. Belief, indeed make believe, seems to be preferred by some people over rigorous scientific data and sound academic research. Some of it reaches to the parallel universe of thought, for instance that NASA did not actually land Neil Armstrong on the Moon, in May 1969. The moon landings were all a hoax;
- we have problems with the teaching of natural sciences in our schools, especially concerning native flora and fauna and marine science.

At the first formal meeting we attended with DoC, their experts gave us a substantial briefing on the state-of-the-park, concerning pests, the forest, and the bird life. We were informed that much of the native bird life was effectively either functionally extinct within the Park - for instance kiwi, mohua, and kakariki and that the remaining native parrot kaka, were largely surviving males because the females had been decimated. By 2020, the balance of the surviving bird life would largely become functionally extinct also.

We were introduced to the beech mast phenomenon – four species of beech which predominate in the native forest, will flower and seed prolifically about every 3 to 7 years. When that occurs, the rat population explodes, to be followed by the stoat population. Possums seem to continue their havoc without pause. We were shown graphs of the inter-play at work here, following the beech mast. Once the seed food is

consumed or otherwise germinates, the rats and stoats predate on what is next - the birds. For those that breed in tree holes, the consequences are deadly. Over time the remaining population never recovers. The repeated beech mast cycle leads to the inexorable extinction described.

Dr Jan Wright, Parliamentary Commissioner for the Environment, wrote her Paper, stating that New Zealand had no practical choice about the widespread use of 1080, in tightly controlled circumstances. After our own review, we fully agree.

The summer of 2014 was another beech mast in the upper South Island. As I speak, DoC is preparing to drop by helicopter 1080 over about 12,000 ha of Abel Tasman. Its RMA consent, prepared for Tasman District Council, is a truly formidable piece of scholarly work - running to over 160 pages, and with further detailed appendices. The body of science and evidence contained would overwhelm the critical but reasonable reader. It is quite clear that 1080 properly applied is safe, but highly effective, against the vermin.

Our own trap network data replicates exactly what DoC originally advised us, of the response to the beech mast. Our graph is composed from PJT's trap network results for the last 18 months across the higher altitude portion of the Abel Tasman. Right now, they are about to be overwhelmed by potential customers, following the beech mast. Hence the timing of the 1080 application.

One of us is an enthusiast for machines. Manual traps require people to set and clear them. CO2 powered traps also require maintenance over time. Last year, the Economist had an article about a "hogaflier" drone, being used in Georgia (in the United States), to deal to wild pigs. More recently New Zealand television news showed the enterprise of a young chap in Southland, using a drone to monitor, count and muster sheep, on the family farm. I quite like the idea of infra red/heat seeking drones, over Abel Tasman, exterminating possums in the trees late at night. Devon has concerns about the occasional Australian tourist being taken out accidentally (I am not sure why; the possums are theirs). The concept has yet to make it into the capital spending programme. On a more serious note, we are active explorers of new methods of pest control. We are funding the trialling of different types of machine. We are looking closely at alternative methods of poison use. The 22,000 ha area is large, and quite rugged. Manual types of methodology are not likely to be cost effective in the long run. If "Pest free New Zealand" is to move from being Sir Paul Callaghan's dream, we have to find smarter ways of exterminating the pests.

Dealing to rats, stoats and possums in Abel Tasman is only part of the pests problem. Wasps are a scourge. In the summer, they thrive. They are nasty pests - for humans and for the very young chicks. Wasps are serious competitors for all types of food, such as nectar and small insects. In the Abel Tasman forest environment, nests are not easy to detect and to destroy. Finding and being able to produce an effective poison that is easy to use has so far proved to be elusive.

It remains to be seen just how effective the 1080 drop will prove to be; again, our trap and tracking networks will provide the constant data over the next years. Our theory is that, if we can keep the outer border of the Park effectively "patrolled" in depth, with the trap network protection, we should be able to limit substantially reinfestation by invaders. Therefore we should be able to maintain pests at tolerably low numbers within the Park, for some years. Through careful and in-depth monitoring, we will also see how well the remaining bird life responds. We are able to supplement species with selected translocations, which is costly and time consuming. By 2018, we will have sound data, to prove whether or not the pest control programme is truly effective.

Abel Tasman presents some formidable challenges, and some great opportunities. We have learnt a lot, over the past three years.

First, our partnership with DoC has been a pleasure for us. Partnerships can only develop and succeed through mutuality of exchange. Many partnerships fail, because individual members do not foster that mutuality for the other members, instead focussing narrowly on their own perceived self benefit. Each partner's obligation to the other, however, is to contribute to the successful enjoyment of the relationship for all members. That requires careful work, to understand what the expectations of each member are, and why. The basis for mutuality of exchange is the shared understanding of why each is a member. We have accordingly spent a lot of time with DoC, to understand fully its ethos, way of doing things and bureaucratic process and its science based decision-making approach.

Secondly, we are fully respectful of DoC's statutory role, over Abel Tasman. PJT has no "rights" in respect of the Park itself. It has no power of direction in respect of what DoC does or does not do, in its stewardship. PJT's detailed work programme is very much a negotiated document, with DoC. We fund that agreed work programme, with almost all outside contractors being engaged (with our agreement) by DoC. This approach ensures that DoC is "the master of ceremonies", ensuring that its statutory mandates are properly governed by it.

Thirdly, through this approach, we have formed a deep respect for the professionalism of the DoC people engaged with PJT. The scientific expertise and the depth of knowledge and experience of these people are national assets. Their dedication to the restoration of the Park is terrific to see in action. A strong aspect of our relationship has been how willing DoC has been to reconsider how they might go about doing things. As outsiders - business people - we cannot pretend to have expertise in the management of a national park. What we can do is ask what are hopefully mostly intelligent questions, to reflect a curiosity about why things are the way they are. From that, we have been able to change the way DoC manages its work programme in the Park.

Fourthly, PJT has a 30 year vision - being 2042, the 100th anniversary of the National Park and 400 year anniversary of Abel Tasman's arrival. The restoration focus over that time frame is challenging, causing a fresh look at the use of what are annual budget allocations. More broadly than Abel Tasman itself, DoC needs to consider these strategic issues across all of the conservation estate, and lead the consideration of them publicly. In a sense, we are all the owners, the funders through taxation, and also many of us are the users. It seems inevitable that we are going to have to get used to the introduction of some level of "user pays" part charging, in order to fund better the operation of the Parks. There is nothing new in that idea - people now pay to use the Park huts and camp sites.

Finally, PJT has launched a school based programme. Abel Tasman has a second jewel in its crown, apart from the Park itself. That is the Tonga Island marine reserve, now over 10 years old. The recent review of that project, and its scientific value, has been very encouraging. By introducing school classes to the Park, and by providing their teachers with what are teaching "tool kits", pupils engage in all kinds of activities that grow their interest in, and understanding of, the natural sciences. Tonga Island is a marine biologist's dream (not to mention those of us with an interest in crayfish, blue cod and snapper, temptingly abundant and flourishing within the reserve.) As already mentioned, in the context of the Rotoroa Island project, and reflected in a significant number of the NEXT EOIs, environmental education is a powerful tool, to create long lasting interest in and concern for conservation values, and environmental science.

Some contrasts between Rotoroa and PJT

These projects have common elements, in conservation and education. But they are different too.

With Rotoroa Island, our agreement with TSA enabled us to have complete control over all aspects of the restoration. The Army has been a grateful but supportive partner, as we set up the entire work programme. Our obligation to the Army is to endow Rotoroa, so that it is perpetually funded in real terms, to be operated as a public day park. We have literally rebuilt just about everything, to the best quality that we could achieve, having regard to the marine environment. We can control who actually goes to Rotoroa (more or less, with Auckland boaties. There is a great photo of a dog, taken recently, tied up to one of the landing notices that states "No dogs allowed". When asked what he thought the sign actually meant, the dog owner solemnly assured our general manager that he - the dog owner - had permission, from the Island manager, to walk his dog)

With PJT, the only control we have is in making funding agreements with DoC, concerning the work programme. We can agree, or not. What we cannot do is require DoC to do anything outside of its statutory mandate, or which is contrary to its own mission, as a Government Department. That states the obvious, but it has important consequences.

We are risk takers. Aspects of our projects that we control may very well not succeed. We accept that risk of poor outcomes. We work hard to make well informed judgements, but by the nature of things, some will not be.

DoC is not in that same category; it is systemically risk averse, with a substantial bureaucratic process of systems and controls, seeking to identify and to eliminate risk wherever possible. In some areas of the work programme, we would not have it any other way. For instance, the use of 1080 requires very high standards of safety, especially concerning how it is handled and by whom, and also where and when it can be spread safely. There is no room for risk in that domain. In other areas, we might take different approaches to how we would use contractors. That is not an available choice, however, once it is understood that the Park is governed by statute. Additionally, DoC has a long history and experience in the management of the Park.

We have never considered seeking to change those parameters. What this means is that we have made a conscious decision to fit ourselves within them, when making the work programme decisions we have, with funding agreements. This requires meticulous work, and respectful relationships.

Where to, NEXT?

With the about \$50 million we have committed under the "conservation" badge, over 10 years, we need some perspective. That \$50 million in one sense is a lot of money, but in the broad scheme, it is not - DoC's annual budget is over \$375 million. Regional and local governments each have substantial resources committed to biosecurity and conservation matters.

As directors of NEXT, we have to keep that perspective. NEXT is a strategic investor, seeking returns by way of demonstrable outcomes. We need to make what we consider are smart, focussed, choices, where we consider we can have transformational influence. Our perspective is national. Obviously, PJT is Nelson based, but the national perspective is critical. How can what we have learnt be applied to make the "jewels in the conservation estate crown" better? The much harder strategic question is whether those changes are truly sustainable.

There is no point in spending, say, \$5 million, only to see that in say 10 years, the changes made have regressed, through a lack of continuity and commitment. The *Tomorrow Accord* with the Government was a vital step towards continuity. This Accord provides that where qualifying ecological restoration projects funded by philanthropic investment deliver agreed, measurable transformation of the ecological prospects of a public conservation property, the Crown will assume the cost of maintaining those gains. However, important as that step is, we consider that there are much deeper and harder

strategic questions about the stewardship of the conservation estate that need careful study, and public debate. If it is the case that DoC's budget is inadequate to address the formidable problems in the "jewels", we need to consider how that budget can be improved.

My personal opinion is that we are in dream land, if we continue to allow what is substantially free access to Park facilities. One recent example is Southland's legislative power to levy tourists going to Stewart Island, to support conservation work on the island. When this issue is raised, it seems to cause a lot of excitement in some circles - with the response "That is what we pay taxes for." The problem is that whatever taxes we pay, they cannot cover the true costs of operations. Yelling at the Government about increased spending is not sensible - the Government cannot fix everything, fund everything and be Father Christmas to the Nation's wish list.

This is not the place to state what our ideas are - they are unformed, and not yet well informed. What I am certain about is that, unless we can see the path to genuine sustainability of the project success we and others can achieve, working alongside DoC, we will be very circumspect about spending NEXT's capital. We cannot tolerate the idea that the capital would be wasted, in the long run, because the country cannot maintain the quality of the transformation achieved.

Conclusion

Chris Liddell and I have worked with Annette and Neal Plowman for 30 years. Their trust and confidence in us, with our other Board and Advisory Panel members, is an honour. It has been a privilege to review the EOI's. We have some great people in this country, working unselfishly for our collective benefit. We are grateful to all of the submitters. Part of the medical doctors' Hippocratic oath is:

"Do no harm"

NEXT is about doing some good. As we have shown with Rotoroa Island and Project Jansoon NEXT can do great things, to make New Zealand a better place. That is our business.



Geoff Harley | Director | Next Foundation | www.nextfoundation.org.nz

New Zealand. Tel +64 9 308 4040

The Business Advisory Group, Shortland Street, Auckland, New Zealand

Postal: PO Box 162, Auckland 1140, New Zealand

PROJECT JANZSOON TRUST: SLIDES OF MR DEVON McLEAN, PROJECT DIRECTOR