

The Māori Trustee's submission on Te Ara Whakahou - Ahumahi Ngahere - Draft Industry Transformation Plan

September 2022



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Summary of Position

1. The Māori Trustee administers, as trustee or agent, nearly 90,000ha of Māori freehold land on behalf of approximately 100,000 individual Māori landowners. Te Tumu Paeroa is the organisation that supports the Māori Trustee to carry out her functions, roles and responsibilities. Detailed information regarding the Māori Trustee and Te Tumu Paeroa is set out in Appendix 1. Additional information can be found on Te Tumu Paeroa’s website, www.tetumupaeroa.co.nz.
2. The views expressed in this submission are those of the Māori Trustee as the single largest administrator of Māori land in Aotearoa. The sheer scale and varied nature of the Māori land we administer, for approximately 100,000 beneficial owners, necessarily means our views may not be shared by some of the owners of the land impacted by the Te Ara Whakahou – Ahumahi Ngahere – Draft Industry Transformation Plan. Further, and to labour the point, the Māori Trustee does not speak for or otherwise represent iwi, hapū or other holders of Māori land, some of whom are likely to submit on this exposure draft.
3. The Māori Trustee supports the intention of the draft Industry Transformation Plan to create a high-value and resilient forestry and wood processing sector to underpin our low emissions future.
4. The Māori Trustee summarises the main points in her submission as follows:
 - a. The Māori Trustee is very supportive of what is set out in Te Ara Whakahou – Ahumahi Ngahere - draft Industry Transformation Plan, particularly creating a productive, low-emissions, high-wage, and resilient economy.
 - b. The draft plan states “The Plan recognises Te Tiriti o Waitangi” (page 16). The Māori Trustee submits that this should be changed to “The Plan gives effect to Te Tiriti o Waitangi”.
 - c. The Māori Trustee supports the overarching Objective 1 (page 57) “Improving the productivity of our forests”, and the recognition that many Māori and small woodlot foresters have not met their potential due to lack of scale.
 - d. The Māori Trustee supports the overarching Objective 2 (page 60) “Diversify our productive forests to build sector resilience” and particularly supports the action to explore the role of the Crown for investing in the diversification of productive forests.
 - e. The Māori Trustee supports the overarching Objective 4 (page 67) to “Grow investment to increase manufacturing of advanced wood-based products for building, biotech and fuel” and is partially supportive of the action to support Māori to access and utilise capital and finance.
 - f. The Māori Trustee particularly supports Objective 9 (page 87) “Support Māori aspirations in the sector” and is partially supportive of the three actions under this objective:
 - Strengthen voice of Māori
 - Support Māori forestry and wood processing leaders



- Support Māori land-owners and communities to develop future forest and wood products initiatives.
 - g. Improving access to capital is critical for Māori owners to maximise economic benefits. It is heartening to note that the Reserve Bank of New Zealand is working to help increase Māori access to capital by focusing on Māori-owned land and businesses, and their aspirations for them.
5. The Māori Trustee would welcome the opportunity to discuss her submission with staff from Te Uru Rākau and would welcome the opportunity to work jointly on some of the initiatives.



General Submissions

Support of the Industry Transformation plan

6. The Māori Trustee is very supportive of what is set out in the Industry Transformation plan, particularly creating a productive, low-emissions, high-wage, and resilient economy. She also supports the concept of developing industry transformation plans in partnership with key sectors to catalyse innovation and transformation, and drive outcomes that benefit all New Zealanders.
7. The Māori Trustee considers that the government needs to be cognisant of Māori communities, iwi, hapū and entities when undertaking consultation to ensure that the appropriate people, at the appropriate level, are being engaged. Similar to an organisation te iwi Māori, as a people, are made up of layers: Iwi, hapū and Māori landowners. In terms of whenua Māori:
 - **Iwi** tend to have a high-level of oversight and a broad depth of knowledge
 - **Hapū** tend to have a more detailed understanding of the whenua as this is where the owners of the land blocks are
 - **Māori landowners** 83% of whenua Māori is vested in landowning entities¹ that have their own individual governance teams who, together with advisors and engaged owners, are well placed to speak on direct impacts on their whenua.

Te Tiriti o Waitangi

8. The draft plan states “The Plan recognises Te Tiriti o Waitangi” (page 16). The Māori Trustee considers that the draft plan should be amended to “give effect to” Te Tiriti o Waitangi in order to align with other policy.
9. The Māori Trustee notes that the Plan says: “This draft Plan provides an opportunity for the Crown and Māori to continue upholding the duties of working in partnership” (page 16). She submits that Māori should have decision making powers, particularly when it comes to their whenua, which will enable them to exercise kaitiakitanga.

¹ <https://maorilandcourt.govt.nz/assets/Documents/Publications/Maori-Land-Update-2021-ver-1.pdf>, p. 1.



Specific submission

Submission table

Proposed provisions	Support or oppose	Māori Trustee submission
Growing sustainable forests for our future Objective 1 - Improving the productivity of our forests (pg 57)		
Supporting coordination and aggregation of small woodlots.	Support	The Māori Trustee is supportive of the proposal to coordinate and aggregate small woodlots, which could benefit Māori landowners given that they tend to have smaller blocks and forests.
Using genetics to improve our forests.	Partially support	<p>The Māori Trustee agrees that the plan needs to be cognisant that genetic modification to native species would have mauri issues and, therefore, direct engagement with Māori is required and tino rangatiratanga is exercised.</p> <p>The Māori Trustee seeks more clarity as to how mātaraunga Māori and the Wai 262 claim would be honoured and how this would be developed and undertaken.</p>
Action - 1.1 - Increase forestry benefits to Māori and small woodlot owners through aggregation.	Partially Support	<p>The Māori Trustee considers there is a need to look at appropriate ways to address data sovereignty issues, recognising there may be a need to:</p> <ul style="list-style-type: none"> • lock data (restrict access) in certain situations; or • aggregate/average data, to ensure individual data sources are not compromised. <p>The Māori Trustee supports the aggregation pilots and business cases and would encourage these to occur on whenua Māori.</p>



Action - 1.4 Improve breeding and genetics of forestry species	Partially Support	The Māori Trustee considers that it is critical a social licence is achieved, particularly for Māori.
Objective 2 – Diversify our productive forests to build sector resilience (pg 60)		
Forests offer a wide range of economic opportunities	Partially support	The Māori Trustee supports the realisation of parallel revenue streams for Māori. However, these will have additional implementation and maintenance costs which not all Māori landowners will be able to meet. The Māori Trustee considers that funding assistance is required.
Action 2.1 - Develop a diversification programme for productive forest.	Support	The Māori Trustee considers there will be benefits to having a diversified productive forest, including alternative species and considering options for continuous forest canopy.
Action 2.2 - Develop investment cases for key alternative species.	Support	The Māori Trustee considers there will be benefits to setting up business cases to encourage alternative species.
Action 2.3 - Explore the role of the Crown for investing in the diversification of productive forests.	Support	The Māori Trustee considers there will be benefits of the Crown investing in the diversification of productive forests.
Objective 3 – Increase use of woody biomass to produce high-value products and fuels (pg 63)		
Action 3.3 - Increase woody biomass supply	Support	The Māori Trustee supports the proposal to plant an extra 10,000 hectares of forest, including alternative species, to include planting on whenua Māori.
Modernising and expanding the wood processing sector		
Māori Trustee submission		
Objective 4 - Grow investment to increase manufacturing of advanced wood-based products for building, biotech and fuels (pg 67)		

Māori Trustee Submission

Te Ara Whakahou – Ahumahi Ngahere



Key opportunities to improve the investment environment - supporting Māori to access and utilise capital and finance.	Partially support	The Māori Trustee is supportive in part of the key opportunities to improve the access to finance and capital for Māori. However, there is no detail as to how this will be achieved or implemented. Māori need to be involved in the development and implementation.
Action 4.1 – Government investment to grow wood processing capacity	Partially support	The Māori Trustee is supportive in part to provide Government investment to grow wood processing capacity, as long as it supports sustainable businesses.
Action 4.2 Improve financial incentives	Partially support	The Māori Trustee is supportive in part to provide financial incentives, as long as it supports sustainable businesses.
Objective 5 – Support sector co-location, collaboration and sustainability		
Action 5.1 - Manufacturing cluster facilitation programme	Support	The Māori Trustee is supportive of developing manufacturing clusters, to provide additional markets and new employment opportunities.
Action 5.2 - Support the development of regional manufacturing cluster	Support	The Māori Trustee is supportive of developing regional manufacturing clusters, to provide additional markets and new employment opportunities.
Objective 6 - Improve trading and transparency of markets for logs and woody biomass		
Action 6.1 - Improve market transparency	Partially support	The Māori Trustee considers a key point to improving the native log market would require the export of native logs and timber to be addressed.
Improving system settings for a thriving sector		
Objective 9 - Support Māori aspirations in the sector		
Māori Trustee submission		

Māori Trustee Submission

Te Ara Whakahou – Ahumahi Ngahere



Industry transformation will support better outcomes for Māori.	Partially support	The Māori Trustee considers improving access to capital is critical for Māori owners to maximise economic benefits. It is positive that the Reserve Bank of New Zealand is working to help increase Māori access to capital by focusing on whenua Māori and businesses, and their aspirations for them. However, it is important that Māori (iwi, hapū and Māori landowners) are consulted with as the policy is being developed.
Māori aspirations in the sector	Partially support	The Māori Trustee notes that Māori aspirations will vary between iwi, hapū, whānau and Māori landowners. The Māori Trustee, therefore, considers that the aspirations of Māori need to be reflective of all Māori interests.
Action - 9.1 Strengthen voice of Māori	Partially support	<p>The Māori Trustee considers that Māori need more than just a voice, they should have decision making powers, particularly with regards to matters that directly impact them and their whenua.</p> <p>The Māori Trustee is supportive of the representative body of Māori Forestry experts, however, she reiterates her point that this representative body needs decision making powers, particularly on matters that directly impact them and their whenua. Furthermore, this body of Māori Forestry experts need to include Māori that represent all types of Māori interests including iwi, hapū, whānau and Māori landowners.</p> <p>The Māori Trustee supports the greater use of mātauranga Māori within research and innovation, but the sector needs to ensure all mātauranga Māori is weighed equally within the most appropriate framework.</p>
Action - 9.2 Support Māori forestry and wood processing leaders	Support	The Māori Trustee supports any dedicated government funded programme to encourage Māori leadership within industry.
Action - 9.3 Support Māori land-owners and communities to develop future forest and wood products initiatives	Support	The Māori Trustee supports this action, however, there will be complexities and barriers to Māori land that will make this difficult to achieve. These barriers will need to be acknowledged and remedied to ensure effective expansion of the Māori forestry economy.



Objective 10 – Create a strong and collaborative sector		
Industry transformation will require a strong, collaborative and cohesive sector.	Partially support	The Māori Trustee appreciates this statement “Fostering greater collaboration ... industry transformation”. However, ensuring all are heard equally is paramount.
Improving social licence	Partially support	The Māori Trustee notes that additional work is required to ensure all participants understand the big picture and the risks associated with it. This will allow informed decision making at an inter-generational level.



Conclusion

10. The Māori Trustee looks forward to discussing this submission with Te Uru Rākau – New Zealand Forest Service officials.

11. Please contact [REDACTED]

Dr Charlotte Severne
Māori Trustee



Appendices

Appendix A – The Māori Trustee and Te Tumu Paeroa

Who We Are

12. The Māori Trustee is appointed by the Minister for Māori Development under the Māori Trustee Act 1953. The role of the Māori Trustee, is to provide accurate and timely administration and management of whenua and other client assets in compliance with the principles and obligations of trusteeship and agency, and in accordance with the Māori Trustee Act 1953, Trusts Act 2019, Te Ture Whenua Māori Act 1993 and other legislation. The current Māori Trustee, Dr Charlotte Severne, was appointed for a three-year term in September 2018 and was re-appointed for a five-year term in October 2021.
13. Te Tumu Paeroa is the organisation that supports the Māori Trustee to undertake her functions, duties and responsibilities.
14. The Māori Trustee administers around 88,000 hectares of Māori freehold land, as well as general land and other interests and investments, on behalf of approximately 100,000 Māori Land owners.
15. A primary objective of The Māori Trustee, is to protect, utilise and grow the assets of our Māori land owners. The organisation provides land administration and professional trustee and agency services to one third of all Māori land trusts (over 1,700 trusts), as well as targeted development and sector-specific expertise. The organisation is involved in the management of a number of Māori enterprises and development projects.
16. The Māori Trustee currently employs 124 staff across five offices throughout New Zealand, with the Māori Trustee located in Te Whanganui-a-Tara. Our organisation is made up of, but not limited to, trust and property management, law, client services, and other specialist teams. Our employees are focussed on protecting and enhancing the whenua Māori that we have the privilege to administer on behalf of its landowners and their tipuna.
17. Te Tumu Paeroa is unique, in that it is the only nation-wide organisation that manages significant tranches of Māori land and assets on behalf of Māori landowners.

Our Vision and Priorities

18. Our vision is: *Ko Te Tumu Paeroa tēnei, te tauawhi nei, te taunaki nei, te tiaki nei ngā whenua Māori mō naianei, mō āpōpō hoki. Ensuring Māori land is protected and enhanced, now and for generations to come.*

Our vision requires a careful balance between protection of the whenua and taiao and enhancement of the whenua through a range of pathways, including commercial development.



19. Our purpose is to be a dedicated professional trustee service for Māori.
20. Our strategic priorities assist us to deliver on our vision and purpose:
 - a. Ensuring consistent delivery of professional trustee services.
 - b. Building trust and confidence across all of our engagements.
 - c. Demonstrating leadership in meeting new challenges to governance and administration of whenua Māori.
21. Our responsibility as trustee in the context of the draft National Policy Statement for Indigenous Biodiversity, is to ensure that the voices of the whenua that we are responsible for, and those landowners who whakapapa to that whenua, are heard and understood.

Our Portfolio

22. Our portfolio currently² consists of the following:
 - a. Number of trusts and other entities under administration – 1,751.
 - b. Number of hectares under management – 88,000.
 - c. Number of owner accounts maintained – 100,793.
 - d. Number of ownership interests – 252,580.
 - e. Number of leases administered – 1,732.
 - f. Client funds under management (market value) – \$ 133.2 million.
 - g. Māori Trustee equity – \$ 170.7 million.

Our Mahi

23. The Māori Trustee has the responsibility to ensure that the best interests and outcomes for Māori land owners are advanced by Te Tumu Paeroa's mahi.
24. Our core services are:
 - a. Administering trusts as responsible trustee, custodian trustee, and agent
 - b. Convening, running and recording proceedings of meetings of beneficial owners
 - c. Responding to requests for information
 - d. Consulting with advisory trustees and owners
 - e. Leasing property on behalf of owners and administering leases
 - f. Collecting rent and managing arrears and bad debts
 - g. Managing contracts for service entered into by trusts
 - h. Managing and investing cash assets in the Common Fund
 - i. Reporting to beneficial owners
 - j. Acquiring and paying for goods and services

² The Māori Trustee Annual Report 2021



- k. Preparing financial statements and annual tax returns
- l. Keeping records for trusts we administer
- m. Making trust distributions to owners
- n. Administering grants and scholarships
- o. Making applications to the Māori Land Court
- p. Reviewing land use and considering, where appropriate, alternative land use options
- q. Developing and enhancing property and land management including Asset Management and Farm Environment Plans
- r. Managing and providing support services for the General Purposes Fund

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