



2 March 2021

Chairperson
Health Committee
Parliament Buildings
WELLINGTON

Dear Chairperson Craig,

NEW ZEALAND BEVERAGE COUNCIL SUBMISSION ON WATER SERVICES BILL

1. The New Zealand Beverage Council (NZBC) represents the manufacturers of New Zealand's juice, carbonated drink and bottled water brands, and their suppliers. Our membership is made up of a wide range of companies operating in New Zealand – from some of the largest multinational brands in the world through to some of the country's smallest boutique producers, as well as businesses that provide a wide range of goods and services to those companies. The NZBC membership represents over 75 per cent of the non-alcoholic ready-to-drink beverages sold at retail level in New Zealand.
2. Beverage manufacturers are a significant user of water in the production of non-alcoholic beverages and strive to reduce water usage and preserve this precious resource. We wish to make some additional comments on the Water Services Bill, as it will have a significant impact on New Zealand's beverage producers.

THE PROPOSED DEFINITION OF DRINKING WATER IS AMBIGUOUS

3. The NZBC holds the view that the definition provided for *drinking water* is ambiguous. Specifically, the definition provided lacks a clear distinction between regulated drinking water and water that may be used in the manufacturing of non-alcoholic beverages.
4. While we note that the proposed Bill excludes bottled water, as regulated under the Food Act 2014, most other non-alcoholic beverages contain water as a major ingredient in production and is a key component in the manufacturing process.
5. The NZBC and its members are concerned that the definition provided could assume that any water used in the production of non-alcoholic beverages could be considered to be used in the preparation of a drink for human consumption, and therefore be considered as regulated drinking water.
6. As the definition lacks a clear distinction between regulated drinking water and water used in the manufacturing of non-alcoholic beverages, excluding bottled water, it leaves other definitions, roles, and responsibilities equally ambiguous throughout the Bill. Furthermore, without clearly identifying and understanding the difference between regulated drinking water and water sources that may be used in manufacturing processes, there is an

opportunity for significant and unintended consequences that could either breach the law and pose significant costs and red tape to beverage manufactures.

7. We suggest the definition extends to cover all beverages prepared by a food business, and is regulated, under the Food Act 2014.

THE PROPOSED BILL RISKS SIGNIFICANT UNINTENDED CONSEQUENCES FOR INDUSTRY

8. The NZBC holds the view that the proposed Bill lacks an understanding of the complicated relationship between beverage manufactures and water usage more broadly. As noted above, the Association is concerned that the proposed Bill will extend regulated drinking water to include water used in production of non-alcoholic beverages. Not only would this impose significant and unnecessary costs upon businesses but would significantly impact those businesses in rural areas that are dependent upon sources of water other than that of local town supply.
9. Additionally, the NZBC is concerned that provisions outlined in the Bill for wastewater networks has the potential to capture private wastewater management operations of beverage manufacturers around New Zealand. The NZBC supports a clear distinction being made to exclude private wastewater networks as it relates to the proposed Bill.
10. The NZBC believes that the legislative changes to drinking water, stormwaters and wastewaters will be of generational significance. It is incredibly important to get this work right in the first instance so that continued progress can be made. We believe that a wider lens is necessary in order to understand how businesses use and dispose of water safely across New Zealand.

CONCLUSION

11. Thank you for taking the time to consider our comments. Do not hesitate to contact me should you require further information.

Yours Sincerely,



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