

## Sharrie Campbell

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**From:** Mark Dunlop <MarkDunlop@beeflambnz.com>  
**Sent:** Friday, 24 October 2014 4:42 p.m.  
**To:** Mailroom Mailbox  
**Cc:** Ben O'Brien; Victoria Lamb  
**Subject:** Variation 2 to the proposed Canterbury Land & Water Regional Plan - B+LNZ Submission  
**Attachments:** Submission cover sheet.pdf; WGTN\_DOCS-#160868-v1-Variation\_2\_dLWRP\_ECAN\_Submission\_B+LNZ\_2014\_10\_24.pdf  
**Categories:** Orange Category

EC291510

Please find attached submission – B+LNZ Ltd

Thanks and regards  
Mark Dunlop

**Mark Dunlop** | General Counsel

**beef + lamb new zealand**

level 4, wellington chambers, 154 featherston street, wellington 6011, new zealand

po box 121, wellington 6140, new zealand

ddi 64 4 471 6036 | mobile 64 21 349 116 | website [www.beeflambnz.com](http://www.beeflambnz.com)



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For farmers**

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# Submission on Proposed Variation 2 to the Proposed Canterbury Land and Water Regional Plan

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Submitter ID:

File No:

Form 5: Submissions on a Publicly Notified Proposed Policy Statement or Regional Plan under Clause 6 of Schedule 1 of the Resource Management Act 1991

Return your signed submission by 5.00pm Friday 24 October 2014 to:

Freepost 1201 Variation 2 to pLWRP  
Environment Canterbury  
P O Box 345  
Christchurch 8140

Full Name: Ben O'Brien Phone (Hm): \_\_\_\_\_

Organisation\*: Beef + Lamb New Zealand Ltd Phone (Wk): (04) 474 0839  
\* the organisation that this submission is made on behalf of

Postal Address: Po Box 121 Phone (Cell): 027 248 3510  
Wellington 6140 Postcode: \_\_\_\_\_

Email: ben.o'brien@beeflambnz.com Fax: \_\_\_\_\_

Contact name and postal address for service of person making submission (if different from above):  
 \_\_\_\_\_  
 \_\_\_\_\_

**Trade Competition**

Pursuant to Schedule 1 of the Resource Management Act 1991, a person who could gain an advantage in trade competition through the submission may make a submission only if directly affected by an effect of the proposed policy statement or plan that:

- a) adversely affects the environment; and
- b) does not relate to trade competition or the effects of trade competition.

Please tick the sentence that applies to you:

I could not gain an advantage in trade competition through this submission; or

I could gain an advantage in trade competition through this submission.

**If you have ticked this box please select one of the following:**

- I am directly affected by an effect of the subject matter of the submission
- I am not directly affected by an effect of the subject matter of the submission

Signature: [Signature] Date: 24 October 2014

(Signature of person making submission or person authorised to sign on behalf of person making the submission)

Please note:  
 (1) all information contained in a submission under the Resource Management Act 1991, including names and addresses for service, becomes public information.

I do not wish to be heard in support of my submission; or

I do wish to be heard in support of my submission; and if so,

I would be prepared to consider presenting your submission in a joint case with others making a similar submission at any hearing



# SUBMISSION

24 October 2014

TO:  
Canterbury Regional Council

ON:  
**Variation 2,  
Canterbury Land and Water Regional  
Plan**

BY:  
Beef + Lamb New Zealand Ltd



# Submission

## 1. Introduction

1.1 Beef + Lamb New Zealand Ltd (B+LNZ) welcomes the opportunity to make a submission on the Proposed Variation 2 of the Canterbury Land and Water Regional Plan (Variation [21](#)).

1.2 B+LNZ is an industry-good body funded under the Commodity Levies Act through a levy paid by producers on all cattle and sheep slaughtered in New Zealand. Its mission is to deliver innovative tools and services to support informed decision making and continuous improvement in market access, product positioning and farming systems.

1.3 B+LNZ is actively engaged in environmental issues that affect the pastoral production sector.

## 2. General Submission

2.1 B+LNZ **supports in part and opposes in part** Variation 2 to the Proposed Canterbury Land and Water Regional Plan.

2.2 Note that B+LNZ **supports** the overall vision of the Variation 2.

### Decision Sought

2.3 **Retain** those parts of Variation 2 that are not the subject of the submissions below.

2.4 **Amend** Variation 2 as necessary to give effect to B+LNZ's submission.

## 3. Specific Submission

### Decision Sought

**Amend** the definition of 'nitrogen baseline' to prevent a situation where periods of dry weather, development, or other changes to farm management result in a baseline number that is inappropriately low, for example by making the following changes:

*Nitrogen Baseline... Means*

*(a) The mean maximum discharge of nitrogen below the root zone in any one year, as modelled with OVERSEER™, or equivalent model approved by the Chief Executive of Environment Canterbury, over the period of 01 July 2009 – 30 June 2013, and expressed in kg per hectare per annum, except in relation to Rules 5.46 and 5.62, where it is expressed as a total kg per annum from the identified area of land; and*

*(b) in the case where a building consent or an effluent discharge consent have been granted for a new or upgraded dairy milking shed, or a new or upgraded irrigation system has been commissioned or a building consent granted for a new or upgraded facility associated with the farming operation or significant change in intensity of operation implemented in the period 01 July 2009 – 30 June 2013, the calculation under (a) will be on the basis that the dairy farming activity is operational; and*

*(c) if OVERSEER™ is updated, the most recent version is to be used to recalculate the nitrogen baseline using the same input data for the period 01 July 2009 – 30 June 2013.*

### Reasons

It is unclear why dairy development already in train but not yet operational should be included in baseline calculations, but all other land uses in this situation are excluded. This is discriminatory and requires an equitably applied approach to existing planned development.

Requiring all farms to remain at their baseline penalises proactive environmentally aware farmers who have already taken steps to reduce their N losses, in line with good practice advice current for over 20 years.

With regard to the issue of amendments to the definition of the nitrogen baseline and the ability to amend this definition, regard must be had to the following sections of the LWRP.

### **2.78 Development and review of sub-regional sections**

Policies 4.9 to 4.10 detail how and when a sub-regional section will be developed, what parts of this LWRP are able to be changed and what matters must be considered. In addition, Appendix 2 to the RPS 2013 contains direction for the development of sub-regional sections.

Priority for the development and review of sub-regional sections is to be given to catchments where the regional in-stream fresh water outcomes described in the Objectives in Section 3 and Policies 4.1 – 4.6 Table 1 to Policy 4.1 are not being met.

4.9 Reviews of sub-regional sections will:

- (a) be in accordance with Appendix 2 of the RPS 2013; and
- (b) identify and provide for the social, economic, cultural and environmental values of each catchment; and
- (c) have particular regard to collaboratively developed local water quality and quantity outcomes and methods, and timeframes to achieve them, including through setting limits and targets; and
- (d) establish methods and a timeframe to phase out any over-allocation where overallocation of water for abstraction from surface water catchments or groundwater zones or nutrient discharges has been determined.

4.10 Reviews of sub-regional sections will not make any changes to the Objectives or Policies 4.1-4.10 of this Plan, except that catchment-specific outcomes and limits may be developed to implement the objectives and policies of this Plan

Section 4.10 makes clear the elements that cannot be altered through the sub-regional processes - i.e. the Objectives or Policies. The definitions are neither objectives nor policies and therefore could be capable of amendment through the sub-regional process.

Amending the definition of nitrogen baseline to recognise the farming operations within the catchment and their current or likely state within the next 2 years (the time usually given for consent activity to commence) and the impact on the catchment load, can be regarded as 'catchment-specific' and therefore clearly within the reach of the sub-regional process.

### **Decision sought**

**Delete** the definition of baseline land use, following adoption of the natural capital (LUC) based N loss allocation model.

### **Reasons**

Section 13.1A provides for Sub-regional Section definitions including one for Baseline Land Use.

A property baseline land use cannot cover a four year period to follow the nutrient baseline approach.

Farm enterprises vary in their systems or land use mixes from year to year according to markets, climate, personal circumstances and a host of other individual reasons. An unknown number of farm enterprises will have changed farm systems or the balance of stock types, or stock to crop mix, making it impossible to define a single baseline which will apply to the numbers developed under the Matrix of Good Management project (MGM).

## Decision Sought

Policy 13.4.9 to improve the overall water quality in the Hinds/Hekeao Plains Area is supported.

**Amend** 13.4.11 to read.

- (a) In the Upper Hinds/Hekeao Plains Area,
  - i. Requiring all farming activities operate at good management practice: and
  - ii. Requiring the adoption of nitrogen loss rates to meet the catchment load, based on Land Use Capability, from 2025.
- (b) In the Lower Hinds Plains area:
  - i. Requiring all farming activities to operate at good management practice: and
  - ii. the adoption of nitrogen loss rates to meet the catchment load based on Land Use Capability, from 2025 .

**And the rules be amended** to reflect this revised approach to N loss allocation.

## Reasons

Given that the issue of allocation is complex, it is reasonable to expect the solution may also be somewhat complex. There is a solution that has the advantage that both the High Court and a Board of Inquiry have considered it and decided in its favour. That approach is Natural Capital using Land Use Capability as its proxy. This approach is now in place in Horizons and is to be introduced in Hawke's Bay.

Issues relating to implementation of the approach in Horizons relate to the level of over-allocation being considerably higher than initially calculated, not the allocation system being faulty.

Fundamental changes in the nature of the allocation regime are not likely to be beyond the scope of submissions and this hearing process. This is evidenced by the Board of Enquiry for Tukituki decision.

It is suggested that Hearing Commissioners for Variation 2 have a precedent to follow in moving away from an inequitable approach to a more equitable and sustainable long term approach, which supports and enables a productive primary sector as well as meeting community expectations for water quality.

In support of the proposed approach consider that a 100% irrigated beef operation on an extra light (leaky) Hororata soil is estimated to currently leach 94.8kg N ha/yr. (ECan report No. R14/19)

If this farmer moved to another part of the zone and a deep Lincoln soil, then the expected N loss would be 18.0 kg N ha/yr, and on a poorly drained Lincoln soil it would be 9.0kg N ha/yr.

A 100% dryland sheep operation on the same extra light Hororata soil would start at 14.0kg N ha/yr. On a deep Lincoln soil it would leach at 7.0kg N ha/yr.

A 5 cow/ha winter off, irrigated operation on an extra light Hororata soil is estimated to leach 132.4kg N ha/yr. Moving to a deep Lincoln soil the loss is estimated at 32.0kg N ha/yr, and a poorly drained Lincoln soil the loss is estimated at 16kg N ha/yr.

On the other hand, viticulture on an extra light Hororata soil has an expected N loss of 1.6kg N ha/yr, whilst on a deep Hororata soil it has an expected N loss rate of 18.4kg N ha/yr and on a deep Lincoln soil it has an expected N loss of 17.7kg N ha/yr.

Irrigation and additional fertiliser are not the only route to increasing production. Novel and improved dryland forages already provide significantly improved available feed e.g. lucerne, chicory, and plantain. Lucerne is best grown on free draining soils as it does not tolerate poor drainage.

One of the most effective and efficient ways of reducing N loss is to move from high leaching soils to low leaching soils, targeting activities to soils best able to manage N loss. This will allow the overall productivity of the catchment to be maximised, with mitigation enhancing production potential. Such a move would be undertaken over many years.

The wisdom of restricting land use to current use needs to be considered when it can result in highly productive land being effectively locked in to particular land uses. For example commercial forestry has loss rates of 3kg N ha/yr or less. Where that forestry occurs on highly productive land as a result of decisions made 20 or more years ago, the ability to change land use to a more productive use will be lost until a change to the allocation system is made at some point in the future. For example, the harvesting of commercial forests and conversion of land to high producing dairy farms that has occurred recently in the central North Island.

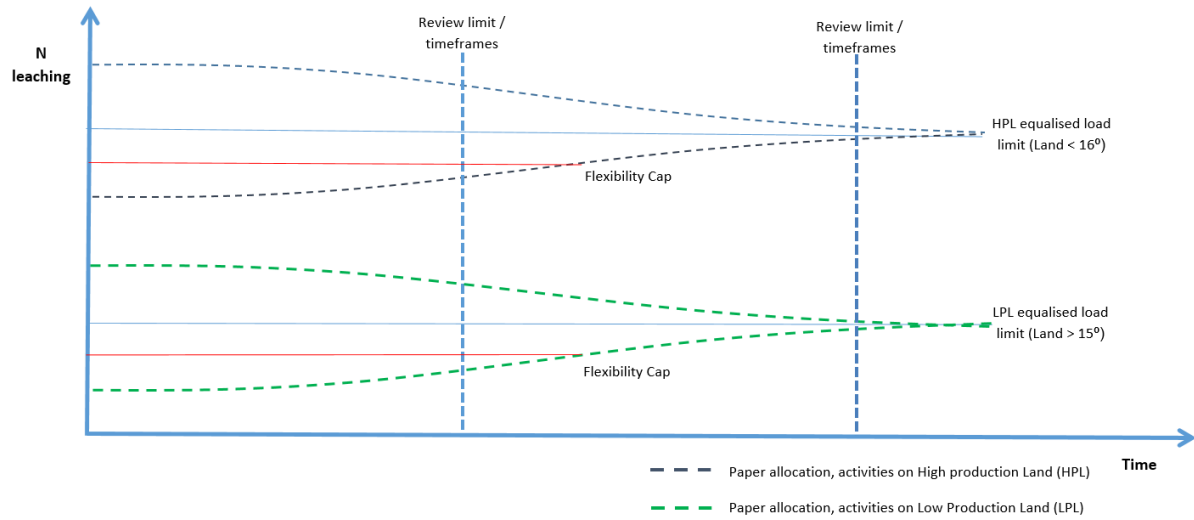
Locking in a particular land use will prevent the optimising of the country's primary sector, and have significant less direct impacts. Climate change and the land use that needs to be adopted to mitigate greenhouse gas impacts must have the ability to move to the most optimal locations.

B+LNZ would like to propose an alternative approach to the grandfathering contained in Variation 2, based on the productive capability of the land, which will provide flexibility for land use, equity in allocation of N loss, and be sustainable into the future.

The significant part of the approach is that it occurs over a timeframe that allows transition from the current position, to a long term stable system, balancing nutrient reduction with impacts on economic and social impacts. There is often a perception that all limits must be met immediately, however by providing sufficient time for farmers to adjust, it is possible to achieve the water quality outcome the community wants.

The graph below indicates how the approach could work over time. Note only two classes are used for simplicity of graphing.

Simplified allocation framework – nitrogen discharges



Activity status would reflect the level of compliance with NDAs, and incentives could be used to encourage the meeting of an NDA earlier than planned.

A possible scenario is attached as Appendix 1.



**APPENDIX 1**

**2014/2015**

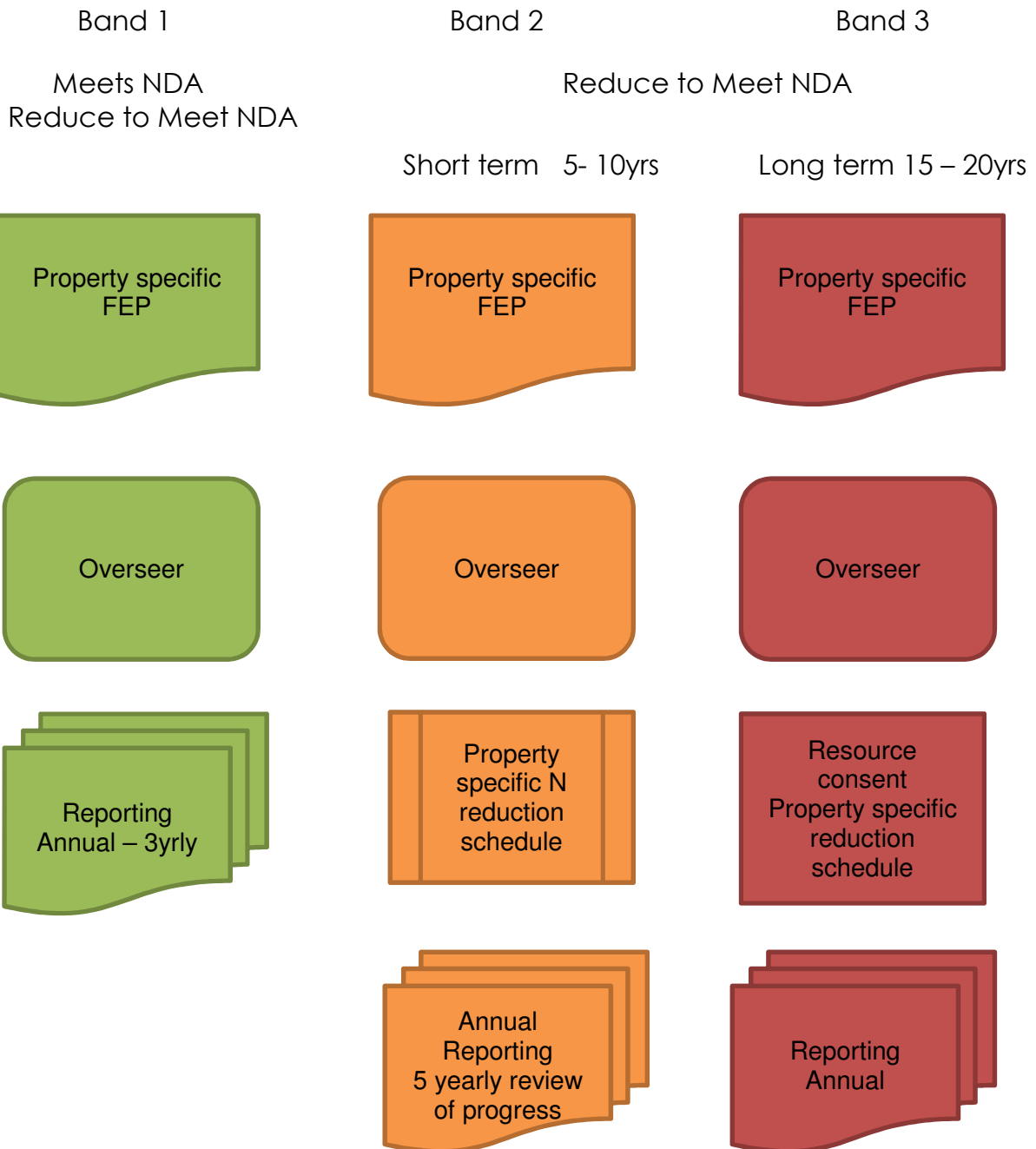
S T-W Zone NDAs determined using LUC model

**2015**



**2017**

GMPs in place, Property Specific NDA identified



## REFERENCES

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Russell, M.P., Lamb, J.F.S., Turyk, N.B., Shaw, B.H., Pearson, B. 2007. Managing nitrogen contaminated soils: Benefits of N<sub>2</sub>-fixing alfalfa. *Agronomy Journal*, **99**, 738 - 746

Shartle, J. 2012. Water Quality Trading in Agriculture. OECD