BEFORE COMMISSIONERS APPOINTED
BY THE CANTERBURY REGIONAL COUNCIL

IN THE MATTER	of the Resource Management Act 1991
AND	
IN THE MATTER	of the First Schedule to the Act
AND	
IN THE MATTER	of Canterbury Regional Council proposed Plan Change 1 to the Hurunui and Waiau River Regional Plan: Dryland Farming
AND	
IN THE MATTER	of submissions under clause 6 First Schedule
BY	**BEEF + LAMB NEW ZEALAND LIMITED** **Submitter**

HEARING STATEMENT

21 October 2019

Beef + Lamb New Zealand
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Thank you for the opportunity to heard in relation to Beef + Lamb New Zealand (B+LNZ) submissions on the proposed Plan Change 1 (PC1) to the Hurunui Waiau River Regional Plan (the Plan).

Introduction

1. My name is Lauren Phillips. I am the Environment Policy Manager for the South Island for B+LNZ.

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.

3. The organisation is actively engaged in environmental issues that affect the pastoral production sector, and in building famer specific capability and capacity in these areas to ensure that the industry supports an ethos of environmental stewardship, together with a vibrant, resilient, and profitable sector. Maintaining and where degraded enhancing the health of freshwater, aquatic habitats, and biodiversity across the region is important to the people of the Canterbury Region, it is important for our economy, and it is important to farmers.

4. Sheep and beef farms are an integral component of Hurunui's primary sector, and are the dominant farm type within the region (see Figure 1 and

5. Figure 2). They contribute significantly to the region's economy, communities, and culture.

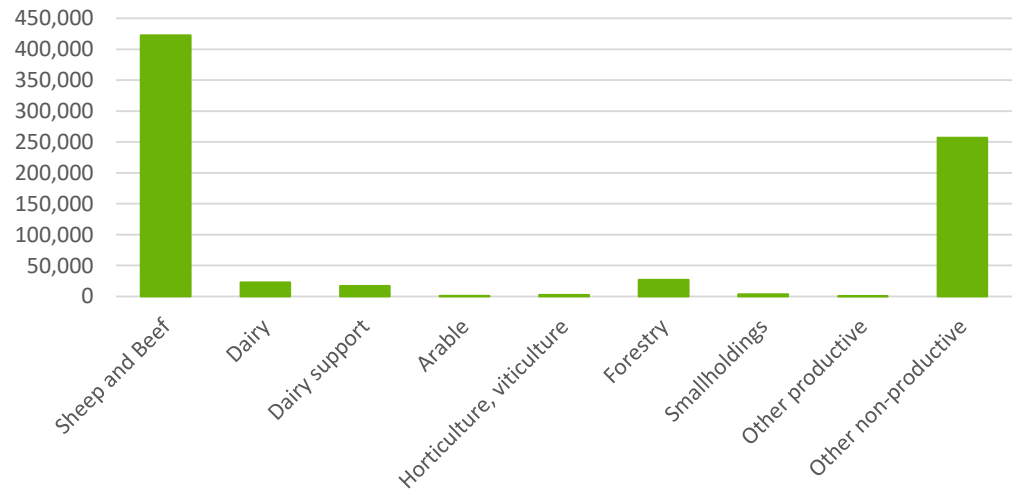

Figure 1: Land use within the Hurunui Region. Source Harris, S. 18 September 2018. Hurunui Zone Current State Economic Assessment

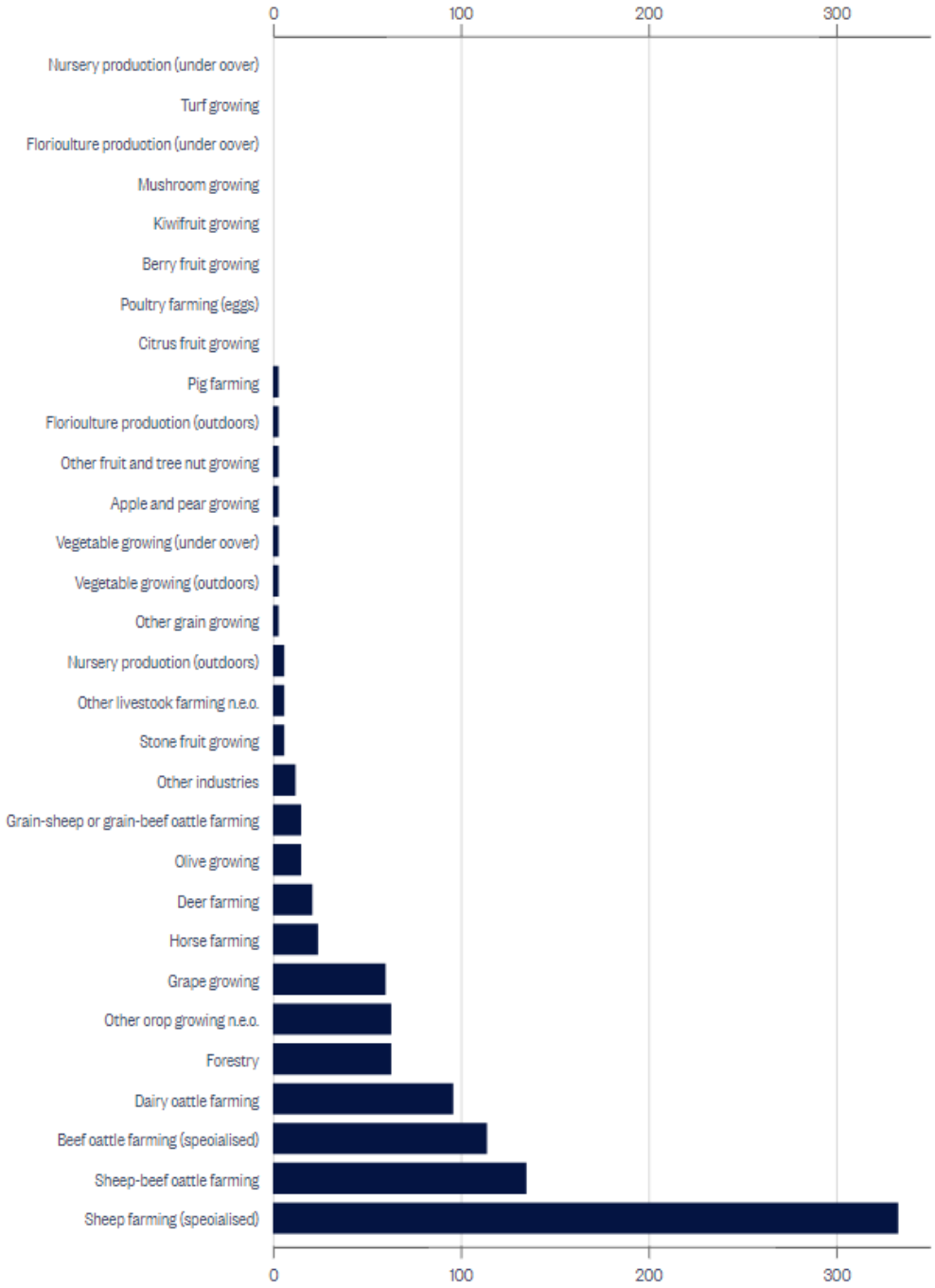

Figure 2: Farm types in the Hurunui District, New Zealand, by industry classification, as at June 2012, number of farms. Source Statistics NZ

6. PC1 will have the greatest impact on sheep and beef farmers in Hurunui, as they comprise the vast majority of the low intensity dryland farmers that the proposed provisions of PC1 pertain to.

Statement on Submissions

7. I am speaking to the submissions and further submissions made by B+LNZ to PC1, with reference to the feedback given to Canterbury Regional Council (ECan) on 27 September 2018.

8. B+LNZ has given feedback at several points along the journey to notifying PC1, including presentations and feedback to the Zone Committee and as a Schedule 1 Party to the draft proposed plan on 27 September 2018 (annexed at Appendix A). Following notification, B+LNZ made submissions and further submissions on PC1.

9. B+LNZ submitted largely in support of PC1.

10. This was based on several premises, already communicated to the Hurunui Zone Committee on several occasions and to ECan in the feedback in Appendix A. These premises are summarised as follows:

    (a) Sheep and beef systems are diverse and often complex. There is no such thing as a 'typical dryland farm'. Each farming business is as diverse as the landscape and soils being farmed.

    (b) Dryland pastoral farming is a lower contaminant emitting farm system than irrigated farm systems, and extensive dryland pastoral systems even more so. In particular, extensive dryland drystock farm systems leach very little nitrogen into freshwater and can be managed to mitigate sediment and phosphorus losses to freshwater. The sector has been working to consistently shrink its environmental footprint overtime.

    (c) Flexibility in their land use and land management is critical for the sheep and beef sector to be resilient, innovative, and to adapt to changes in climate, markets, domestic pressures, and new knowledge and technology; while farming within their environmental limits.

    (d) Policy should be tied in to the environmental effects it hopes to achieve, and regulation should be proportional to risk.

11. B+LNZ has supported proposed Policy 5.3C for the reasons summarised in paragraphs 10(a), (b), and (d) above.

12. Along the PC1 journey and reflected in the feedback of 27 September 2018, the contaminant losses from extensive dryland farms, as well as the nitrogen attenuation rates from that land, are different to attenuation rates for irrigated land. The different farm systems should not be broad-brush regulated under the same risk assessment, as they

do not pose the same risk of nutrient contamination to the freshwater environment. For this reason, B+LNZ has opposed Fonterra Cooperative Group Limited's proposed amendment to the policy.

13. Proposed Policy 5.3C in conjunction with proposed Rule 10.1 is a step towards acknowledging the different and lower risk extensive dryland farm systems present. It is also a step towards recognising that these lower risk systems should be managed under proportionately less onerous regulation.

14. In that vein, B+LNZ submitted in support of proposed Rule 10.1A. It is appropriate that extensive dryland farming should be a permitted activity. B+LNZ supports management of these systems through a management plan where farmers are not required to obtain or submit an Overseer budget for their system. Drystock farms are diverse and often complex, and dryland farms especially so in order to make the most of limited resources that are vulnerable to elements outside of the farmers' control, for example climate and markets.

15. Complex systems in practical reality are also complex systems in Overseer. Sheep and beef farms easily require dozens of hours to model in the nutrient modelling programme, incurring significant cost which does not result in meaningful outcomes for managing invariably small nutrient losses to the environment.

16. Similarly, B+LNZ supports the concession made for farmers who seek to fall under the permitted activity rule through the use of a dryland farmer collective agreement. Farmer collectives, or catchment groups, are an effective vehicle for farmers to understand the cumulative effects of their own systems on the wider catchment, gain and offer peer-to-peer support and learning, manage their environmental effects, and work together to effect greater 'bang for buck' in the projects and mitigations the catchment collective undertake.

17. B+LNZ supports the proposed definition of extensive, or low intensity dryland farming. The definition offers the flexibility needed by dryland farmers as discussed in paragraph 10(c) above and allows for diversity in these systems.

18. Throughout the PC1 journey, B+LNZ has asked that extensive dryland farmers are able to continue winter grazing as part of their systems.

19. Sheep and beef farmers use winter forage crops where appropriate and physically possible based on the farm's particular circumstances. This is often used to supplement winter feed for their sheep and cattle. Many sheep and beef farmers also graze dairy cattle during winter on forage crops on a small proportion of their farm. *Figure* illustrates the

percentage of the land area used for total land used for winter forage crops in 22 case study farms surveyed in a recent B+LNZ Economic Services survey.[1]

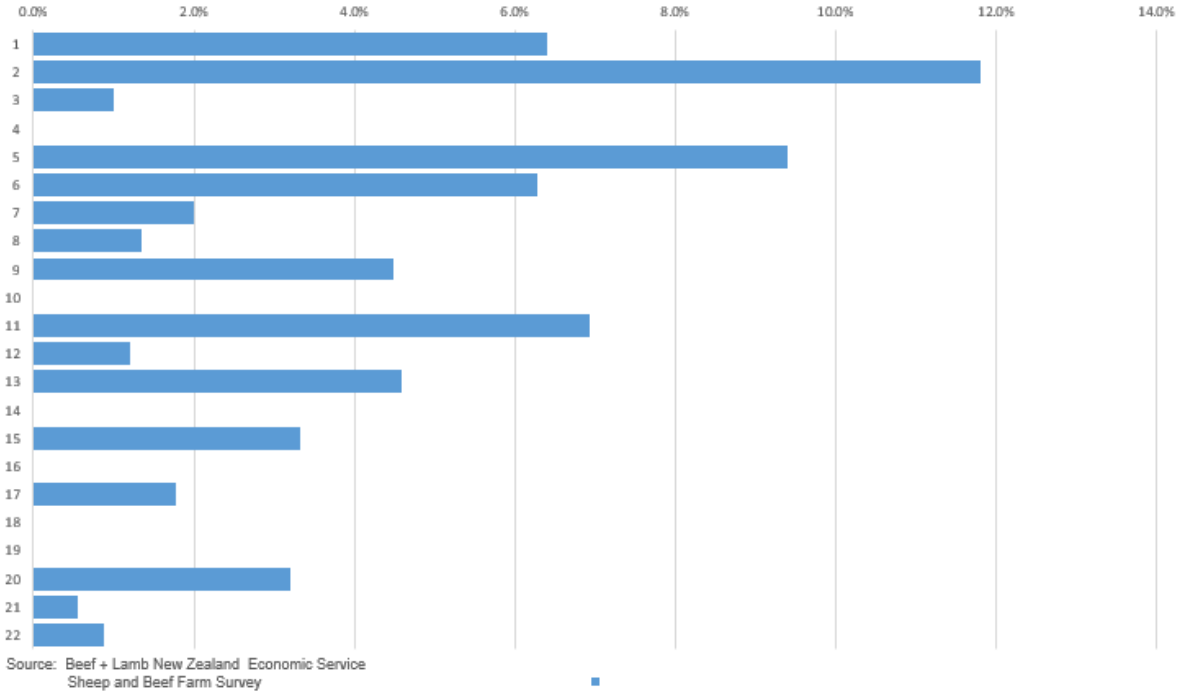

Figure 3: Winter feed area as a percentage of effective area for commercial sheep and beef farms in Hurunui District

20. There were concerns that allowing up to 10% of a farm's area under winter grazing as a permitted activity would result in a gold rush of low intensity dryland farms increasing their winter grazing to the maximum amount permitted. This would risk nutrient losses to freshwater exceeding the buffer that ECan have negotiated for PC1, including the nutrient surrender being negotiated with current consent holders in the zone.

21. B+LNZ does not consider this to be a credible risk. Winter forage crops are used where it is practically possible to the extent that it is possible, independent of regional planning. Winter grazing in a dryland system is very much limited by physical constraints.

22. For those farms able to support winter forage crops, this can only be done where climate, soil, topography, and staffing resources allow it. The percentages shown in *Figure* reflect the actual capacity of farms to utilise crops, as climate variability in particular constrain

[1] Beef + Lamb New Zealand's conduct an annual Sheep and Beef Farm Survey. This survey provides credible, authoritative, and independent information analysis about the sheep and beef value chain, and farming in particular, to support informed decision-making. The survey is conducted using a random sample of over 500 farms each year including 80 from the Hurunui District. The information presented has been weighted and is statistically representative of the region. Data for the whole farm business are collected and analysed, and recorded in a computer database, characterising each farm on over 2000 metrics.

farmers beyond a single season, and the need to be conservative with land and feed discourages extensive investment in crops which might fail due to weather outside of the grazing period at the expense of more reliable pasture.

23. Winter forage crops as a whole tend to constitute a small percentage of farms that grow them, as found in the Sheep and Beef Farm Survey and shown in *Figure* below.

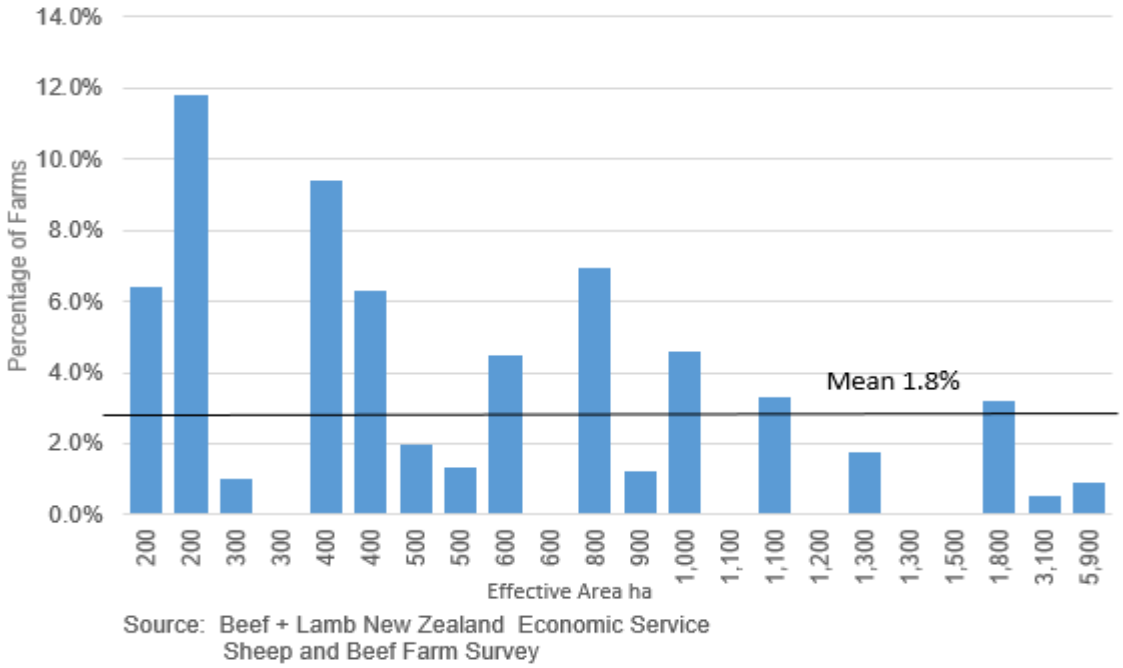

Figure 4: Hurunui Winter Feed Area as a % of Effective Area

24. B+LNZ considers that the current wording of Low Intensity Dryland Farming provides for lower risk, lower impact dryland systems without providing an opportunity for high risk, high intensity systems to exploit the rule as permitted activities. In particular, the current wording is effective in preventing feedlots and similar systems from being classified as Low Intensity Dryland Farming, and for this reason B+LNZ has opposed Fonterra Cooperative Group Limited's proposed amendments to the definition and to Schedule 2A.

25. The definition also provides sufficient flexibility to allow for off-paddock systems, which function as measures to avoid or mitigate adverse effects on the environment, to be used within a Low Intensity Dryland System. This is appropriate, and where farmers are motivated to and can afford measures to reduce adverse effects through infrastructure solutions, this should be provided for. For this reason, B+LNZ has opposed Ravensdown Limited's proposed amendment to subsection d of the proposed definition.

26. Off-paddock systems like feed-pads, loafing pads and stand-off pads are all hard stand or bare areas where livestock might be contained for short periods of time and might be given supplementary feed while contained. Managed appropriately, this infrastructure can form part of an efficient low intensity system where the infrastructure is used to avoid, mitigate, or manage the effects of livestock on the environment, for example to keep livestock off wet soils; or used to help fill the feed wedge with minimal wastage. The use of these components should not be confused with a feedlot, where the livestock are contained for intensive controlled feeding in order to encourage high weight gain as described in the notified definition, and which the proposed definition has tried to exclude from being permitted as Low Intensity Dryland Farming.

27. The proposed amendment has the effect of conflating the two, and their associated effects on the environment. The proposed amendment may lead to perverse and unintended outcomes, for example disincentivising the use of the former infrastructure to mitigate adverse effects on the environment as part of a low intensity system.

28. B+LNZ supports the proposed definition of winter grazing and opposes amendments to the definition proposed by Federated Farmers.

29. The practice of holding livestock in an area for the purpose of grazing a fodder crop during winter, whereafter they are removed from the area once the crop has been depleted, is winter grazing. The practice of holding livestock in an area during winter and bringing supplementary feed in to them is not winter grazing.

30. Bringing in supplementary feed constitutes one of several other practices which are not winter grazing, but may include:

    (a) A scenario where livestock are held in an area for the purpose of being fed supplementary feed only, for example a feed-pad, a sacrifice paddock, a feedlot etc.

    (b) A scenario where supplementary feed is brought in to supplement nutritional requirements or help to fill the feed wedge: for example, supplementary feeding generally where animals are held for the purpose of grazing in-situ plants that are not in-situ brassicas or root vegetables.

31. Conflating supplementary feeding with winter grazing, and in such general terms, could have negative and unintended implications.

Conclusion

32. Sheep and beef farmers are key to the fabric of the Hurunui region. They are there for the long haul, and ‘family’ is a primary reason behind on-farm decisions.

33. To remain a resilient, vibrant and diverse sector, sheep and beef farmers require flexible land use and the ability to optimise their farming business within the environmental limits of their property. PC1 takes steps towards providing for this for extensive dryland farmers.

DATED 21 October 2019

Ms Lauren Phillips

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