

**BEFORE THE CANTERBURY REGIONAL COUNCIL
INDEPENDENT HEARING PANEL**

Under the Resource Management Act 1991

**And the Environment Canterbury (Transitional Governance Arrangements)
Act 2016**

In the Matter of Plan Change 7 to the Canterbury Land and Water Regional Plan

**SUMMARY STATEMENT OF EVIDENCE OF SAMUEL MARMADUKE SPENCER-BOWER
FOR THE WAIMAKARIRI NEXT GENERATION FARMERS TRUST**

Submitter number: 425

13 November 2020

1. Introduction:

Thank you for the opportunity to speak to our submissions today. I will take my submission as read, and so will only be highlighting the key points to you today. Firstly, I would like to thank our team for the great deal of time and energy that has been put in to get us to this point. We have thought long and hard about how the proposed new rules will affect us and also about how these could be changed so that a fair balance is struck between regulation, maintaining farmer engagement, the need for better understanding through improved monitoring, and doing the best thing for the environment. We hope that you will view our suggested amendments as fair and reasonable solutions to these complex issues, and agree that they will achieve a better outcome for our environment and farming.

2. Sam Spencer-Bower background:

I am general manager for our family dairy farming business called "Claxby". We farm approximately 1,400 ha, milking 3,000 cows within a self-contained unit. Prior to this I completed a B.Com.Ag (Farm Management) at Lincoln University and then spent seven years working as an agronomist for a plant breeding company. My wife spent 9 years working as a rural bank manager. I am the fifth generation of our family to be farming our land at Claxby. My two daughters are very keen on farming, so I hope that there is a sustainable future on our land for them. My great, great Grandfather, Marmaduke Dixon, founded Claxby in 1852. As noted in my submission, Marmaduke dedicated his life to developing Claxby and the community. He was very innovative, for example, he was instrumental in developing the Browns rock Waimakariri river intake for community stock water. This is now the site Waimakariri Irrigation Ltd (WIL) use for their irrigation intake. Marmaduke was also one of the first in NZ to irrigate farmland (having bought the idea of river flood irrigation with him from Lincolnshire, England). I am also the operations manager for our Irrigation Scheme (Claxby Irrigation Ltd) that irrigates a total of 2,500 ha. I am also the secretary for the Waimakariri Next Generation Farmers Trust (NGF Trust).

3. Waimakariri Next Generation Farmers Trust (NGF Trust) background:

The Waimakariri Next Generation Farmers Trust was started 2 years ago. It was formed when a group of farmers came together to unite Waimakariri farmers and our industry representative bodies to make sure we were fully educated on the proposed plan change and that we were fully engaged in the process to make sure that our voice was heard; the goal being to work collectively for more workable and reasonable conditions in this plan change; as we are currently concerned about the future of agriculture in the Waimakariri district. We also decided that we wanted to be proactive

about the environmental issues before us. An example, of which is the recent approval of Ministry for Primary Industries (MPI) funding for a 3-year Sustainable Food and Fibre Futures (SFFF) project, which started in September this year. I will give further details about this shortly. The Trust also decided that it wanted to engage and communicate with all stakeholders in our zone, so that we could work collaboratively towards a better future for all in the community.

4. Key issues & amendments sought:

Our “key” issues with proposed plan change 7 for the Waimakariri zone are : *(these have been covered by Ms. Ruston’s evidence & Mr. Christensen’s legal submissions – but I wish to give you some more explanation about these from a farmers perspective).*

a) The long timeframes and high levels of reductions proposed for nitrate loss (table 8.9).

- The long timeframes and high levels of reductions (i.e., 2050 and onwards) proposed would have significant “unintended consequences” for farmers. By this, we mean it would create a barrier to farmers continuing to invest money and time in further developing, refining, or adjusting their systems to achieve the proposed reductions. In other words, why would a farmer invest and engage in this process if all they can see at the end is an unviable farm? Mr. Christensen explains in his submission why our suggestion of ending the N loss reduction table at 2040 is appropriately “cautious” in terms of water quality while avoiding the “unintended consequences” explained. Mr. Christensen refers to a “no regrets” approach which to us as farmers means not putting us out of business before this is deemed absolutely necessary. Once a farming business is insolvent it is not recoverable.
- We would like to make the point that our acceptance of the proposed reductions to 2040 are a display of commitment from farmers to make real changes. We have run modelling on our own farms and also refer to the financial & economic analyses that have been undertaken by Mr. Doole for Dairy NZ and by Mr. Ford & Mr. Copeland for WIL. The challenge of meeting 2040 targets is well summarised in Mr. Harris’s 2019 report for ECAN – where he states that, at a 20% N loss reduction (for dairy farms) that “heavily indebted farms are non-viable”. He states that at a 30% reduction “farms with average performance and average debt loadings are non-viable”. We are likely to see a fall in farm land values as a result of plan change 7, so this will effect famers loan to value ratios which will put pressure on interest rate margins, making financial viability even more difficult. This will also have the effect

of making it more difficult for farmers to borrow money to fund construction of mitigation measures – such as irrigation or effluent upgrades, for example.

- Other submitters have suggested that wide scale land use change (to the likes of regenerative agriculture systems) would be simple and effective to implement. We reject this claim because the suggested systems are not based on sound science and would be non-viable financially. Other submitters have also suggested that N-loss reductions at more than double the rates proposed in plan change 7 could be met by reducing the N content of urine patches of cattle by adjusting their diets and through the use of feed pads and potentially barn housing of stock. This suggestion gives no consideration to massive investment and system changes required. It does not consider if systems such as this are even practical or financially viable.

b) “Cumulative” N loss reduction percentages, that should in fact be “discreet”.

- As Ms. Ruston has pointed out in her evidence – we strongly advocate that the ZIPA recommendation of “discrete” reductions be adopted instead of the “cumulative” reductions proposed in PC7. This then gives due recognition that ongoing N loss reductions become harder for farmers over time (both in terms of cost and options).

c) Nitrate Priority Sub Zones.

- The inclusion of these in the proposed plan change is of particular concern. It has created the “unintended consequence” of creating division amongst farmers. There appears to be limited and weak science behind the need for these sub zones. There is now a negative stigma attached to the properties in the higher reduction zones and they are effectively currently unsaleable. Our proposal to end the reductions in table 8.9 at 2040 will have the affect of removing these sub zones. We strongly oppose the idea of creating different rules for different areas within our zone. It will be more effective to achieve real change if farmers are united under the “same rules for all”.

d) Sinking floor for N loss reductions.

- As explained in Ms. Ruston’s evidence, proposed plan change 7 has differed from the recommendations of the ZIPA by proposing a back calculation to calculate the N loss floor for reductions. This has resulted in a sinking floor, which is unfair. It would make more sense to have a set N loss floor & update it as necessary in future plan changes (allowing for future versions of Overseer).

- e) A lack of confidence in the water quality modelling, a lack of knowledge as to the extent & cause of the environmental issues and a lack of knowledge around what exactly is required to influence & mitigate these issues.
- We believe ECAN have modelled water quality issues as best they can, but as various other submitters have discussed, the data that went into the models has a lot of gaps. NGF Trust request to be part of a partnership approach with ECAN and other stakeholders to implement a more robust water quality monitoring programme moving forward. When evaluating other submissions on the Christchurch drinking water aquifer issues – it appears that the science showing that water flows under the Waimak is not robust. The same can be said for the science that suggests that the nitrate drinking water limit needs to be lowered. We understand the need to be cautious on this issue & hence we have accepted that the N loss reductions proposed up to 2040 are appropriate. We also ask for the point to be added to PC7 that once water quality outcomes are achieved – no further reductions are required. Future plan changes will give opportunity to assess further research & make adjustments as necessary.
- f) The lack of clarity with baseline nutrient calculations.
- I understand from consultants that use the GMP portal regularly to calculate nutrient baselines, that it has several issues and can create obscure results. You can understand from a farmer's point of view that it is difficult to commit to reaching N loss reduction targets when we are uncertain about the point at which we are starting from. Other submitters have covered this point in more detail. We also need to be assured that our baselines will not creep downwards as GMP is updated over time.

5. Sustainable Food and Fibre Futures (SFFF) project:

Despite all the uncertainty created by plan change 7, NGF have forged ahead with trying to take a proactive & collaborative approach. We have recently been awarded funding for a 3-year MPI SFFF project. The key elements of our MPI funded project are:

- a) Investigation of practical environmental mitigations. Small pod groups of farmers will explore the range of mitigation options available to them to improve their nutrient, soil, waterway, and water use management.
- b) Implementation of practical environmental mitigations. For a number of pod groups there will likely be a focus on implementing measures to reduce N-surplus and achieve the 190

kg/N/ha cap. The pod groups will be used to enable farmers to learn from each other whilst implementing new mitigations.

- c) Whole of farm planning. This involves putting a plan together for a farm business that involves all of the elements of risk that they may face. It would lead farmers into being proactive about future regulations and bring all of the elements into a workable action plan, rather than just freshwater. It would involve for example: GHG, biodiversity, mahinga kai, health & safety, animal welfare, employment, biosecurity, waste minimisation & social responsibility.

6. Farmer wellbeing & engagement:

I would like to make mention of the significant strain (individually and between neighbours), that proposed plan change 7 has put on our Waimakariri farming community. Others have covered this in more detail, but it must be said that it takes a lot of courage for farmers to remain positive and proactive about these environmental regulations when we are feeling attacked from all angles. Particularly given we continue to operate under the pressures of fluctuating market conditions, ever increasing compliance (in addition to environmental), rising costs, and varying climatic conditions. Farmers are amazing people, and they can achieve amazing things. We just ask that you listen to our suggestions for plan change 7 and that we are given the chance to solve the environmental issues before us.

7. Support of submissions & previous speakers:

NGF would like to acknowledge the excellent work and common sense approach put forward by the following entities : Dairy NZ, Waimakariri Irrigation Ltd, Federated Farmers, Dave Ashby, Dairy Holdings Ltd and the others within our Industry Stakeholders Working Group.

8. Summary:

Thank you for listening. I sincerely hope that “our voice” is listened to and that you can see that the solutions we have offered are the best fit possible for finding the appropriate “balance” to this difficult situation. Effectively, we are asking for adjustments to the proposed plan change that will enable farmers to continue to farm their way to the solutions that may be required. In the end we believe this approach will achieve the best outcomes for our environment.



Sam Spencer-Bower, 13 November 2020