Your submission to Action for healthy waterways – consultation

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Submitter Type: Business / Industry

Clause
Proposals as a whole - please refer to questions 1-3 on page 19 of the discussion document

Notes
PGG Wrightson Ltd thanks you for the opportunity to provide feedback on this issue of national importance PGG Wrightson is a leading rural servicing business in New Zealand, listed on the New Zealand Stock Exchange. For over 160 years PGG Wrightson has worked alongside New Zealand farmers to service their on-farm needs, supporting our common goal of helping grow the country. Our business areas include new and emerging technology and research, wholesale product distribution, rural and lifestyle real estate, livestock, water and irrigation design, retail product sales and technical advice for agriculture and horticulture, wool and insurance referrals. We help our farmers and growers: • Grow and provide superior nutrition, crops, animals and produce. • Continually improve productivity and profitability from their land (the country). We help our country grow: • By improving the contribution of agriculture to the whole economy of the country we work in. • By championing the importance of agriculture and rural communities. In principle PGG Wrightson supports the intent of the proposals laid out in the Healthy Waterways discussion document. We acknowledge the Government’s efforts to improve freshwater quality and ensure that regeneration of aquatic life and habitat can occur. PGG Wrightson is committed to these same principles and supports the concept of effective freshwater policies that outline clear, science-based environmental frameworks and bottom lines to protect human, animal and ecological health. Q1. Do you think the proposals set out in this document will stop further degradation of New Zealand’s freshwater resources, with water quality materially improving within five years? Q1 Answer - In general PGG Wrightson does believe the proposals set out in the document will address degradation and will show some benefits to freshwater quality within five years. However, it is possible that the ramifications of these changes and their impact on the socio-economic environment of rural New Zealand may have been understated. We suggest that the true costs of these changes should be thoroughly investigated before implementation. It is anticipated that there may be a shortage of qualified environmental management advisors and practitioners available to prepare the Farm Environmental Plans and to support farmers and growers through this process. Those developing policy could look into options to help train and increase resourcing through relevant training programmes. Furthermore, we wish to highlight the need for realistic timeframes to implement the policy requirements and achieve the targeted milestones in view of the available experts. Even with the 5 year grace period it may be challenging to have sufficient qualified professionals available to enable the industry to be compliant from an Environmental Plan perspective. Experts in this area will be in high demand. Q2. Do you think the proposals will bring New Zealand’s freshwater resources, waterways and ecosystems to a healthy state within a generation? Q2 Answer - In principle, we consider that the proposals will meaningfully contribute to achieving this objective and will assist with freshwater resources being brought into a healthier state. However, there may not have been enough rigorous investigation into the financial cost of these activities and the impacts these will have on rural communities both in the short and long term. Further clarity may also be required on what nationwide assistance may be available to support the primary industry in addressing the limited pool of environmental management resources available to assist farmers and growers in reaching the new compliance levels. PGG Wrightson suggests there are also some other methods the Government and industry in general could consider to ensure the future protection of fresh waterways and the development of better more sustainable farming practices. • Enhanced mitigation strategies –there is more scope for investment into agricultural science and technology. With the development of precision agriculture and the rise of large scale data farming, new tools are already available to help make better more sustainable decisions on farm. Better access to research grants and funding to rigorously test new technologies may be needed to determine their worth and fit in the New Zealand industry Investments into new plant varieties and cultivars with traits that could benefit environmental sustainability could also be considered. • The current and future regulatory framework places a large reliance on the use of Overseer. The current model may not be fit for purpose, particularly for the horticultural and arable industries. Deficiencies with the model may need to be assessed and addressed. Overseer may need to be critically reviewed to ensure it is fit for purpose, given the obvious reliance on the model going forward. • Investment into training and development –the environmental management resource available nationwide to carry out much of the compliance and auditing function is potentially limited. There may be a need to allocate increased resource to training providers and create plans for how New Zealand can increase resources and capacity in this area and achieve efficiencies in implementing the recommendations.

Clause
Nitrogen, phosphorus, and sediment attributes - please refer to questions 20-21 and 30-35 on pages 52 and 53 of the discussion document

Notes
Q30. Do you support introducing new bottom lines for nitrogen and phosphorus? Why/why not? Q30 Answer - In principle PGG Wrightson does support the introduction of bottom line requirements provided these are based on and supported by sound science based evidence. The justifications and rationale for the bottom lines should be transparent.

Clause
Q56. What are your thoughts on the proposed priorities and timeframes for roll out of farm plans, as set out in the proposed Freshwater NES? Q56 Answer - The timelines may be too short. New Zealand potentially has a current lack of skilled and trained people in environmental management. There may be insufficient resource available to meet the requirements of completion of farm plans by 2025. There may also not be enough time to train people to meet the shortfall of skilled environmental management professionals. Considerable investment in training may be required to address resourcing. Q57. Do you have any comment on what would be required to ensure this proposal could be effectively implemented, including options for meeting the cost of preparing, certifying and auditing of farm plans; and on financing options for other on-the-ground investments to improve water quality? Q57 Answer - A key limitation here may be qualified resource to assist farmers and growers in developing the required plans. Means and ways to support the broader industry in attracting and training people in the relevant field of environmental management could be explored. Concerns have been raised around the potential cost of compliance for the industry and individual farmers and growers. With potentially limited numbers of consultants able to help with the farm environmental planning process, demand/supply dynamics will naturally mean that the cost of compliance will rise. This should be factored into any calculations around potential compliance costs. Robust modelling could be undertaken to quantify and understand the likely cost impacts for farmers and growers. Farmers and growers should be able to document compliance as efficiently as possible and minimising administrative costs in doing so.

Q65. Do you support excluding stock from waterways? Why/why not? Q65 Answer - In general yes, PGG Wrightson does support the exclusion of stock from waterways. More of a defined distinction could be made between larger and smaller waterways. We support the fencing of larger waterways (streams over 1m wide), noting there are other options that could be explored with smaller waterways - for example solutions tailored more to erosion control like spaced planting of poplars. Q66. Do you have any comment on the proposed different approach for larger and smaller waterbodies? Q66 Answer - PGG Wrightson notes that concerns have been raised around the potential requirement for fencing higher order streams (streams less than 1m wide and 30 cm deep). While there are modelling papers that highlight higher order streams' effect on lower receiving waterbodies, there appears to be a lack of literature that reports results from credible trials in New Zealand conditions. The role that direct animal interactions play in nutrient and sediment loss in these streams may be overstated. It is suggested that further work exploring this and other methods of waterway improvement could be undertaken. To assist with the eventual policy in this area, PGG Wrightson is committed to researching and making available for farmers appropriate farm equipment and associated services. For example - Assessing the Yield and Load of Contaminants with Stream Order; Would Policy Requiring Livestock to Be Fenced Out of High-Order Streams Decrease Catchment Contaminant Loads? R. W. McDowell,* N. Cox, and T. H. Snelder Q67. Do you have any comment on the proposed five metre setback, or where it should be measured from? Q67 Answer - More specifics could be provided around how such a requirement for a 5m set back area would be implemented. For example, where fencing has already been installed with a setback of less than 5m could there be flexibility to make practical accommodation where farmers have taken steps to create fenced setback zones which are less than 5m rather than require strict compliance. Q68. Are there any circumstances that are appropriate for allowing exemptions to the stock exclusion regulations? If so, please give examples. Q68 Answer - PGG Wrightson suggests that these rules may not be appropriate when concerning higher order streams (streams less than 1m wide and 30cm deep). There appears to be a lack of published evidence suggesting that direct animal interaction in these small waterways contributes to loss of water quality further downstream. Also, where waterways have already been fenced that do not strictly meet the 5m setback requirement, flexibility may be needed to make practical accommodation.

Q69. Do you prefer Option 1: Nationally-set standards or Option 2: Industry-set standards? Why? Q69 Answer - We prefer to not support Option 1 or Option 2 alone. PGG Wrightson would advocate for a third option which considers multiple factors – e.g. - the farm system, the soil type, the climate, intensity of the grazing, what nutrients are looking to be mitigated and Best Management Practises etc. This would provide a more customised and accurate standard for individual farms to comply with. A tailored standard that takes into account the key variables (mentioned above) is a preferable solution than a ‘one size fits all’ national or industry standard. Options 1 and 2 are predominantly based on slope which may be too simplistic, with many other factors (as mentioned) having just as much of an effect.