We are a family owned veterinary clinic employing 7 staff from our Ashburton Practice. Our client base services 100% farmers with both dairy and beef sectors. I am making this submission to offer a rural professional perspective on the Government’s Essential Freshwater Package and the Action for Healthy Waterways discussion document.

There appears to be a lack of Government economic analysis available for me as I try to calculate and understand what this change might mean for farmers and the resulting flow on effects on our independent small business.

- DairyNZ has conducted an analysis of economywide effects of the proposed regulatory change shows that:
  - the proposed Essential Freshwater Package could significantly harm New Zealand’s dairy sector and the wider national economy – by 2050, it could lead to a fall in our GDP of $6 billion
  - the proposed freshwater changes would result in significant declines in milk production and is therefore a serious threat to the international competitiveness of New Zealand’s dairy sector
  - The economic analysis shows potential significant impact. By 2050, total milk production is forecast to fall by 24 percent and all national exports by 5.2 percent or $8.1 billion.
  - With the Zero Carbon Bill and its assumed reductions in methane considered alongside the Essential Freshwater reforms, the forecast showed an additional $1 billion loss ($7 billion) in GDP and another 4 percent reduction in milk production (28 percent).

On talking to multiple farmers over the consultation period there is a large level of concern over these proposals. Overall feelings are biggest concern over proposed changes to nitrate level limits to 1ppm and effects on farming operations.

General consensus is massive reductions in inputs will be required especially around stocking rates, fertiliser and bought in feeds. The flow on effects in our rural community will be just as dramatic. Our entire town economy is based around farming.
Even a modest 25% decrease in stocking rates would impact our business. Staffing is based around workload. Per 10,000 cows we run 1 veterinarian and 1 lay staff member. Based on these numbers we would loose 2 staff members. It would also have a proportional affect on income level. The resulting drop would mean less income to spread across our fixed costs and affect bottom line profitability. Luckily as a family run business who are well established and with lower debt levels we could likely survive these changes with staff redundancies.

We are just one of hundreds of small businesses who are critical to our rural community. There are many other businesses who will struggle with resulting loss of income. It is of grave concern the overall effect on profitability and sustainability rural small businesses. This would also flow on to unemployment in our rural centres as staff not required are laid off.

Water quality and emissions gains can still be made with less stringent reforms, at a lesser cost to the New Zealand economy and rural communities.

I am broadly supportive of the Action for Healthy Waterways document’s intent to improve water quality; however, I have significant concerns about some of the proposals and hope the Government will be open to considering alternatives that the primary sector is working on.

- I support policies that protect ecosystem health. However, I do not support the proposed ecosystem health nitrogen (DIN) and phosphorus (DRP) attributes. The science used to come up with these numbers is too simplistic and fails to account for current scientific understanding of the complexity of stream health.

- I would like to see additional work undertaken to ensure that all the policies are practical, will work for farmers, and that adequate resourcing has been considered. For example, that we have enough capability and resources around the country to support farmers in implementing the Government’s proposed Farm Environment Plans, and that potential monitoring and/or compliance requirements are not too onerous for farmers, and build off the work already being undertaken by the sector.

I’d also like to express my disappointment with the way this consultation has been carried out. The initial six-week timeframe is too short for such a significant policy proposal. Spring is a busy and stressful time for farmers, and this – alongside the Zero Carbon Bill, Mycoplasma bovis and the pricing of agricultural emissions – has added to that weight.

Farmers are onboard with continuing to play their part in improving our waterways, however stringent changes cannot be at the detriment of farming’s future and the communities they support.
Thank you for considering my submission. I ask that you work with farmers, not against them, to improved water quality outcomes for all New Zealanders.

Kind regards,

Dr [Personal details removed]
Principle Veterinarian
Ashburton Vets Ltd

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