Submission on: Action for Healthy Waterways: A discussion document on national direction for our essential freshwater

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SUBMISSION ON “ACTION FOR HEALTHY WATERWAYS: A DISCUSSION DOCUMENT ON NATIONAL DIRECTION FOR OUR ESSENTIAL FRESHWATER”

Introduction

Genetic Technologies Ltd (GTL) is a New Zealand, family owned business, owned by the Yates family. The Yates have been part of New Zealand agriculture since they first arrived in New Zealand in 1879. Arthur Yates and Co. was founded in 1906 and subsequently became a household name synonymous with high quality seed and other agricultural products for both farm and home use. GTL was formed by Philip Yates in 1985 and produces Pioneer® brand maize seed in Poverty Bay and distributes this along with lucerne and sorghum and silage inoculants to farmers across New Zealand.

As a company fully committed to sustainable agriculture for over 100 years:

1. GTL welcomes the opportunity to provide feedback to the Ministry for the Environment on the proposed regulatory package “Action for healthy waterways: A discussion document on national direction for our essential freshwater”.
2. GTL supports the desire by the Government to improve the “health” of our lakes and waterways
3. GTL appreciates the Government’s efforts to consult widely on the proposed initiatives outlined in the NPS-FM
4. GTL believes that sustainability is multi-facetted, and that trade-offs and compromises will always be part of the process that society must take in achieving outcomes that benefit the majority
5. GTL believes that any proposed changes need to be equitable and fair. When considering the need for clean rivers, there is also a need to consider economic prosperity. If there is a need to impose limits on farmers there also needs to be limits on urban communities, manufacturers, power generators, tourism operators, and others.
6. GTL is also very aware of the potential impacts that the proposed changes may have on its own business and the businesses of many of its clients.

Given the above context, our feedback on specific parts of the proposal are outlined below.
1. Speed up the implementation of freshwater regulations through amendments to the RMA

2025 is proposed as the date by which councils need to have amended their plans to give effect to the new NPS-FM.

Concern: Our experience with Waikato Regional Council’s Plan Change 1, is that six years is unlikely to be long enough for the consultation/ submission process to ensure that good, workable and equitable plan changes are made. In many regions soil type, climate variations and unique landscapes mean that there isn’t enough data to say whether the proposed plan change will have any positive effect on water quality. It will also be hard to quantify the impact on the economic wellbeing of the community.

We are concerned that the timeframe is too short to enable full economic analysis to take place regarding the likely impacts of the changes to a regions’ economy. Without such data, New Zealanders are unable to make an informed decision as to whether the changes will be beneficial or harmful to their communities.

Finally, the question is asked in the document as to whether the proposed changes will see a significant positive impact on water quality within a five-year timeframe. We feel that a visible positive impact is unlikely within a five-year timeframe as many of our waterways are fed by springs whose water is 12 - 80 years old. This would suggest that, any benefits from changes in farm practice that reduce N leaching are unlikely to be seen for 12 - 80 years (depending on the waterways)

Proposed changes:

Slow down. Give Treasury and the Local Government more time to widely consult with all stakeholders, work out what data is missing and what the economic costs and benefits of the proposed changes are likely to be. Good quality information can then be used to create good law. Extend the time frame to 2029

2. Te Mana o te Wai

We support a more integrated approach to freshwater management. We support the order of priority being:

1. The health of the water,
2. Providing for essential human health needs, such as drinking water, and
3. Other consumption and uses
Comment: Clean water is essential to human, animal and ecological wellbeing. However, food production is also critical to the wellbeing of humans. Water to support food production needs to be underpinned in any changes to the NPS-FM. However, we also acknowledge that the balance between water quality and food production is a delicate one and needs to be more widely consulted on. The idea of a long term vision for both the rivers’ and the communities’ well being needs to be established through wider community consultation.

3. Exceptions for major hydro schemes to support renewable energy targets

Concern: While we acknowledge hydro electricity is a critical part of achieving NZ’s greenhouse gas emission’s targets, a similar argument could be made for food production in New Zealand and the need to produce food to both feed and economically support our population. It would be unfair to exclude hydro schemes from water quality targets while keeping agriculture in.

There is also a good case to be made for the significant impact that hydro electricity generation has on water quality. A case in point is the dams on the Waikato River which have resulted in less flushing and therefore increased sedimentation of the water way. The dams have also slowed down the rate of passage from lake to sea meaning significantly less flushing of nutrients from the river and a significant increase in water temperature as a result of the slowed passage of water. These have negatively affected the health of the river.

Proposed change. There are no exceptions made for hydroelectricity or there are exceptions made for both hydroelectricity AND agriculture.

4. Restricted further intensification of land use

Concern: While we support the reasons behind the restricting of further intensification of land, so it only occurs where there is evidence it will not increase pollution, the difficulty lies in determining what is meant by intensification and on how the impact of intensification will be determined.

Specifically:

a. Definition of intensification
It appears that the definition of intensification in the document is a proxy for change of land use. The proposal needs to clearly define what intensification is. For example, in the case of dairying, intensification may mean bring in more feed for the same number of cows or it could also mean increasing the stocking rate (cows per hectare) on the farm. The impacts of one management change may be very different from the impacts of the other.

b. How the impacts will be measured.
While we acknowledge that OverseerFM may be the best tool for modelling losses from pastoral land, the arable industry is concerned about its ability to model arable systems. For example, the decision to set the rooting depth of all plants in the model to 600mm means the loss of N from a deep rooting crops like maize is overestimated. Maize plant roots can grow down as far as 1.8 m and will extract both water and N from this depth. Overseer assumes that nitrogen that falls below the assumed rooting depth of 600mm is lost to water and hence in the case of maize, it overestimates N loss.

c. Area to be intensified.

In principle we oppose the blanket approach to restricting the size of the block that is to be intensified to less than 10 hectares. Farmers should be able to have offsets or trade-offs across a farming business if that business sits within the same sub-catchment. For example, there shouldn’t be any limit on the size of the block to be intensified into arable, horticulture or irrigated pasture if the business is able to show that they have de-intensified another part of their farm and the result has been no increase in contaminant loss.

We would like to see the definition of forage cropping tightened to “grazed forage crops” to differentiate between these and harvested forage crops (e.g. maize silage) which have proven environmental advantages.

d. Changes in land use.

This is a too broad brush approach to losses. The document states:

Restriction to changes in land use above 10 hectares from:
– arable, deer, sheep or beef to dairy-support
– arable, deer, dairy-support, sheep, or beef to dairy
– woody vegetation or forestry to any pastoral use

Our opinion is that rules shouldn’t be made on changes in land use per se but on the impact of that land use change. Farmers should have the freedom to farm their piece of land as they want provided they can show that their contaminant losses meet the targets set by their Regional Council’s plan

5. Improving farm practices through farm planning

Support: We fully support the need for each farm to have a certified farm environment plan (FEP) and are comfortable with each farm having a specific water quality module within that plan. We believe these should be mandatory

Concern: Our concerns are two-fold:
a. The lack of capability within the industry for each farmer to have a workable FEP given the time frame set down by the proposal. There are simply not enough farm consultants and farm environment planners who have the pre-requisite skills, knowledge and qualifications to produce workable, meaningful FEP’s within the timeframe. We are not convinced that there will be enough certified farm environment planners by 2025.

b. The underestimate of cost of FEP’s to the farming community. The proposal document states that for the average farm, the cost of preparing an FEP and updating it is estimated at $3,500/farm. This is likely to be a gross underestimate. Some work we undertook as part of WRC’s PC1, showed that the cost of a FEP for arable or mixed arable farms worked out at between $40-$90/ha. The farms we selected to get an estimate were relatively simple systems located close to Hamilton. They all had good records available.

Our experience is that most farmers don’t have all the records immediately available, they don’t live close to a main centre and they have complex systems. Based on 100 ha farm, the cost could easily be in excess of $5,000/farm. Due to pressure from banks to pay down debt, many farmers are already under significant financial pressure. The financial burden of paying to have an FEP that will meet the plan’s requirement completed and then paying for mitigations needed to comply with the plan, may well be prohibitive. There needs to be a way whereby both the cost of the FEP and any mitigations needed to be undertaken is not overly burdensome to the farming business. One option would to make the costs of compliance tax deductible.

6. Immediate action to reduce nitrogen loss

Concern: While it is accepted the high N in water can contribute to poor water quality, there are many catchments where high N is not a significant factor to poor water quality. Other facts like sediment and phosphate levels may have a more significant impact on water quality. In some subcatchments, an NRP may be semi-redundant as farmers need to focus more on sediment and P loss from their farms.

Solution: The key contributing factor(s) to poor water quality should be established at a subcatchment level and limits should be placed on those contaminants that contribute the most to water quality degradation.

a. N loss caps

Comment: In those areas where N loss to waterways is a significant contributor to poor water quality (see point above), N loss caps are acceptable as these will drive change at farm level. Many regions already have plans in place to reduce N loss from their soils. WRC’s plan for farmers to keep at or below the 75th percentile for N loss within their catchment seems to have been largely well accepted by those who submitted to PC1.

b. National N fertiliser caps.
Comment: There are many factors which impact what nitrogen input is appropriate for a pasture or crop. These include the soil type, previous history of the paddock, the paddocks yield potential, the type, rate and timing of N application, climate, rainfall etc. It is impossible for national fertiliser caps to represent appropriate N application rates for a specific crop or pasture in a specific paddock in a given year.

Overseas countries (especially in Europe) have used input controls and they have found they need significant control and on-farm monitoring to stand any chance of being successful.

7. Controlling intensive winter grazing

Comment: Intensive winter grazing of crops where soil type and/or climate results in pugging of soils and increased risk to both animal welfare and the water ways are no longer publicly acceptable. More extensive grazing on pasture usually results in less damage and risk. In areas where the risk of pugging is high, farmers should be required to stand animals on an approved off-paddock facility (e.g. feed pads, Herd Homes, standoff pads) where they can be fed and sheltered. Effluent would need to be captured, stored and then spread at a time when the risk to the environment is low.

8. Setbacks

Comment: The setback rulings for arable systems which do not have any livestock need to be more clearly defined as does what can be done within the setback area. For example, do direct drilled, harvested crops have the same setback as crops which are established using traditional cultivation methods?

The setback should be relative to the slope of the land. Flat land will require lesser set-back than sloped land.

9. Reducing pollution from stock holding areas

Comment: We support this proposal in part but feel that rules around the use of sacrifice paddocks need to be more than just no closer than 50m from a waterway. They should include guidelines around slope, how long they are to be used for within a year, when they are to be used and what is to happen to them once they have stopped being used.