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<td>Action for Healthy Waterways</td>
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<td>30 October 2019</td>
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<td>From:</td>
<td>Wanaka Catchment Group</td>
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Contacts:

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Wanaka Catchment Group (WCG) Summary

Background

During the mediation process for the Otago Regional Councils (ORC) Plan Change 6A it became apparent to local farmers in the Wanaka Catchment and the ORC that while the quality of the water flowing into Lake Wanaka is already very good there are still plenty of research unknowns and opportunities for improvement on farm.

This led to the ORC + AgResearch carrying out an OVERSEER validation trial on Mt Aspiring Station and to Beef & Lamb NZ establishing their "High County Lakes Catchment Environment Project". This Beef & Lamb project implemented a project to develop Land Environment Plan (LEP) Level 3 on two properties in the Lake Wanaka catchment and allowed the development of a common template / framework to use for environmental management across all properties in the catchment (see attached documents).

Following this the Wanaka Catchment Group was set up by Grant Ruddenklau (Mt Burke Station); supported by Chris Arbuckle (Aspiring Environmental) and Randall Aspinall (Mt Aspiring Station). The group was set up in response to a wide community focus on Lake Wanaka’s water quality and to respond to an increase in Regional Council / Government scrutiny on farming practices in the lake’s region.

Membership

Currently 12 out of the 17 farms and properties (greater than 50 ha) have signed up to this farmer funded collective approach to catchment management. This means 90% of the farmed catchment by area will be managed under one consistent environment plan.

All member properties have committed significant funding to the project, so it can be implemented with minimal reliance on external funding or sponsorship. It is expected that more properties will join as they see the benefits of the group and LEPs.
Purpose

The purpose of the group is encouraging the adoption of consistent tools and sustainable approaches to on-farm environmental management while also advancing a positive message about the farms in our catchment and their commitment to protecting Lake Wanaka.

More specifically this group intends to:

• implement a consistent framework for environmental management over the catchment
• encourage and educate the landholders to adopt practices which reduce environmental losses
• allow better information flow on a catchment scale between the Group and interested parties such as the ORC, local interest groups, Beef & Lamb NZ etc
• build a better understanding with the Wanaka community around what are the important environmental issues and what is being done to manage them

Actions

The first two years (October 2017 - October 2019) of the project are focused "within the farm gate". Each property has undergone a farm planning process which includes:

• A detailed LEP (Land Environment Plan) with a detailed map identifying "at risk" areas
• A response plan and timetable to address the on-farm issues identified
• An OVERSEER budget designed to optimise nutrient use
• Assistance with OVERSEER reporting requirements and meet community expectations

The Future

Currently the focus is on-farm establishing the LEP’s, Overseer models and response plans. As they are completed future the focus will move a little more "outside the farm gate" and allow the group to explore options such as:

• Establishing a more comprehensive Water Quality Sampling Plan across individual properties or the whole catchment to better understand what is happening
• Farmax (or similar) modelling to better examine environment-based changes / outputs with the financial implications for individual properties
• Discussing environmental and regulatory impacts / changes with the ORC and others on a catchment level
• Branding products at a catchment level based on an environmental standard and provenance

Engaging the wider Wanaka community so everyone has a better understanding of the rural impacts on Lake Wanaka and what is being done about it.
Submission to Ministry for the Environment on the Action for Healthy Waterways Discussion Document

General Introduction

This submission focuses on the potential benefits and costs of the Proposed Regulations contained in the Government Action for healthy Water Ways Discussion documents and additional information on High Country Farm Systems.

This submission has been informed by High-Country properties, the work of the Wanaka Catchment Group, a Beef & Lamb Environmental project managed by Aspiring Environmental “Farming in a challenging environment”, Research into the use of OVERSEER in high country environments and professional advice of Aspiring Environmental. It focusses on proposals that relate directly to the group’s activities.

High Country Farm Systems

These properties consist of sheep, beef and/or deer farms within the Wanaka and Wakatipu Catchments.

Stations range in physical size from 2500 Ha to 40000 Ha and are located in some of the most spectacular scenery that NZ has to offer the world.

Properties range in ownership structure from being owned by 4/5th generation farms, overseas owners and locally managed, to those who have undergone Tenure Review and those who are still to undertake the review process.

Environmental / management Challenges in common to all stations:

- Extremely large numbers of waterways (100’s of km) flowing through properties that feed into Lake Wanaka or Lake Wakatipu, or pristine high-country rivers;
- A mix of low slope and extremely steep slope land;
- High rainfall and challenging seasonal environmental conditions;
- Farm systems that rely on a grass fed, extensively managed landscape to sustain stock;
- Strategic fencing to control gross stock movements, the use of natural barriers, such as rivers to contain stock on grazing areas, and a high capital cost of fencing;
- Open access for stock to water ways for stock water and limited stock water systems;
- Large numbers and expanses wetland areas with low stocking pressure;
- Conversely, Critical Sources Areas (such as winter fodder crops and areas where stock congregate) that require proactive and flexible approaches to implementing good practice and therefore the management of priority sites near sensitive water ways;
- High levels of public scrutiny, open access to farming landscape that border lakes, national parks and conservation estate (Some properties have over 100,000 visitors pass through their farms annually);
- A growing ill-informed public, especially regarding farming and animal health.
- All properties are committed to protecting the environment, both as a personal ethic, and as an important social commitment. From a business perspective, these environments make a livelihood, as it has been to previous generations.

Overall the Wanaka Catchment Group are in support of the broad scale intent of the Action for Healthy Waterways as many of the proposals match the focus of our current farm plan, nutrient management priorities and values underpinning our communities view of water quality.

There are however several key areas in the document / proposed regulations have a potential to affect the farming activities and financial resilience of High-Country Farms if regulated or poorly implemented.

Some of the proposals require more evidence testing, a full Section 32 Analysis of the costs and benefits for all farm systems and benefit to all environments.

The WCG feel that Government could utilise more effectively than what’s presented in the document the learnings of proactive farms and catchment groups to inform more practical and effective policies that lead to better Social, Economic, Environmental and Cultural outcomes, that underpin freshwater values for all New Zealanders.

Section 1 Questions / Answers

Question 1 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?

WCG feel these proposals take a step beyond existing policies (NPS-FM and the Otago Regional Council Plans / Rules). While we understand they will guide RC’s to instigate plans to lead to the improvement of water quality in priority catchments, we are concerned that if they are poorly implemented across government, there will be no net measurable improvement in many catchments.

Crude and rushed policy development (based on timeframes in this document) will potentially allow further degradation in catchments in our region.

At present the discussion document has little strategy within that supports catchment communities to develop and implement their strategies and policies in unique areas such as the lakes catchments.

The current suite of policies in the discussion document are primarily Regulatory in intent and lack detailed strategies to incentivise, educate and inform farmers.
Therefore, they will likely demotivate some existing voluntary initiatives such as catchment groups (like the WCG) as regulation will become a “only tick box” process, as seen in some Regions already (e.g Canterbury).

**Question 2 Do you think the proposals will bring New Zealand's freshwater resources, waterways and ecosystems to a healthy state within a generation?**

New Zealand’s water ways are some of the most pristine environments on earth. There are areas that have undergone significant degradation.

WCG are unsure what time period is being determined as a generation, is this 50 years, 100 years?

It is obvious that some of our water resources (such as ground water and lakes) will take a long time to improve, and in fact unless population growth and overall catchment development managed in all catchments, NZ will likely further decline.

**Question 3 What difference do you think these proposals would make to your local waterways, and your contact with them?**

WCG feel in general proposals are at present too broad brush and unwieldy to implement to address the key WQ issues on High Country Farms.

At present many of the actions in place via farm plans reflect the intent of the proposals but are smarter because they are designed for each specific farm type, location and water way. Using generic rules may lessen the effectiveness of these plans.

**Question 4. What actions do you think you, your business, or your organisation would take in response to the proposed measures?**

It's likely the Wanaka Catchment Group would find it difficult to implement the broad scale proposals and as we are already addressing issues related to farming in our catchment and WQ. The proposals may indeed slow our implementation / action.

**Question 5. What support or information could the Government provide to help you, your business, or your organisation to implement the proposals?**

Much of the information to improve on farm environmental action is already available. The WCG is advancing good management practice at a farm scale. WCG feel what’s lacking is a national strategy to help farmers understand, adopt and finance the implementation of good practice.

Also, community needs to be engaged and encouraged to gain a greater understanding of the challenges faced by farming in HIGH-COUNTRY environments. Catchment groups enable this community understanding and support community education.
Government needs to examine other policy methods, such as incentivised policy instruments (such as providing rates relief) and voluntary mechanisms (catchment groups).

**Question 6 Can you think of any unintended consequences from these policies that would get in the way of protection and/or restoration of ecosystem health?**

Enforcing farmers to simply comply with ill designed rules and heavy-handed environmental compliance will not improve WQ. Compliance is always after the “effect” and often rules targeted at delivering sub-optimal solutions.

**Question 7 Do you think it would be a good idea to have an independent national body to provide oversight of freshwater management implementation, as recommended by KWM and FLG?**

Central government needs to set an overall direction (as in the NPS-FM) and strategy. Effective management needs to come at a regional and local level where specific policies can be designed to manage the risks and needs of priority catchments.

WCG consider an oversight body or organisation for regional government, that provides an independent, standardised monitoring and a proactive reporting framework may enable a more transparency for communities to adjudge the performance of regional councils.

**Section 3 – 4 Questions**

**Question 18 Does the proposal make the roles and responsibilities between regional councils and territorial authorities sufficiently clear?**

WCG support the proposal to make the roles clearer between different authorities. WCG hope this is also used as an opportunity to encourage and enable different authorities to work together more effectively.

High Country farmers witness a complete disconnect between Regional and District authorities in our area, the Queenstown Lakes District Council and the Otago Regional Council.

**Question 25 Do you support the proposal to protect remaining wetlands? Why/why not?**

WCG support the protection of wetlands. They are valuable for filtering runoff, mitigating flood flows, improving water resource yields and providing homes for native flora and fauna. The protection of our remaining wetlands should be a priority of any water strategy or farm plan.
Question 26 If this proposal was implemented, what would you have to do differently?

The challenge is defining wetlands in High Country environments. Many are ephemeral. Some areas may need to be fenced when they are currently benefiting from low stock grazing (as stock feed on pest plant species). This may lead to a growth of pest plants, changing wetland ecology. Retaining or re-instating Wetlands are a focus on WCG Farm Plans. High Country Environments may need more guidance for the classification of wetland environments.

Question 30 & 31 Do you support introducing new bottom lines for nitrogen and phosphorous? Why/why not? If this proposal was implemented, what would you have to do differently?

WCG agree with the need to limit nutrient pollution. The WCG implements a nutrient management plan with the farm plan. This is aimed at addressing N and P loss at a farm scale. WCG farms would have to change very little under this proposal as nutrient loss from on farm fertilizer is a key focus.

Question 36 Do you agree with the recommended approach to improving water quality at swimming sites using action plans that can be targeted at specific sources of faecal contamination. Why/why not?

WCG support any moves to ensure that the actual source of contamination is identified and managed rather than broad scale rules that lead to no useful or measured solution.

Question 42 What are your thoughts on the timeframes incorporated in the proposed regulations? Please refer to the specific policy in your response.

WCG are concerned about the timeframes set in many of the regulations.

Main reasons for providing more time are:

- Farm businesses can plan, budget and provide for the changes required then implement them in a manner that does not threaten business sustainability;
- communities are given time to adjust their understanding of what’s required to be implemented at a farm and catchment scale;
Section 8 9 - Questions

Question 54 Do you prefer mandatory or voluntary farm plans (acknowledging that farm plans may be required by councils or under other parts of the proposed Freshwater NES?)
What are your reasons for this?

WCG support strongly encouraging the implementation /use of farm plans and making them as easy to obtain as possible

WCG are opposed to making them mandatory.

WCG feel if you require something such as a mandatory farm plan, this devalues the process of learning and adoption;

For example;

1. Mandatory actions induce “gold rushes” for low knowledge business;
2. Farmers panic and employ the use of generic plans just to meet a rule, not as a learning or business tool;
3. Accreditation schemes lead to standardisation and inflexible products;
4. Farmers just pay someone to do their plan for them and then stick it in a drawer (or send to council), not to be implemented;
5. There is a crucial distinction between "obtaining" a farm plan and "using or implementing" a farm plan (regulation only requires you to obtain one –e.g. Canterbury), there is nothing in regulation that requires or incentivises you actively implement actions on farm.

Question 55 What are your thoughts on the proposed minimum content requirements for the freshwater module of farm plans?

WCG feel the most important part of a Farm Plan (as with our plans) is to detail the actions required to mitigate critical source areas, agreeing on time bound responses to these.

WCG feel that catchment group type approaches can be invaluable as a means of providing a shared learning environment to ensure that individuals are making meaningful change.

Question 56 What are your thoughts on the proposed priorities and timeframes for roll out of farm plans, as set out in the proposed Freshwater NES?)

WCG think that if Farm Plans are made mandatory, the timeframes suggested need to consider groups that have already begun a voluntary farm plan initiative and recognise pre-adoption and plan rollout.
**Question 58** Which of the options (or combination of them) would best reduce excessive nitrogen leaching in high nitrate-nitrogen catchments? Why?

WCG recognise that OVERSEER is a very crude tool to rely on when making judgements on N and P Loss in our environment. The model is still poorly validated for high county farm systems and alpine environments.

A research trial conducted by AgResearch, Landcare Research and Aspiring Environmental on a representative high county Property (funded by MfE and the Otago Regional Council,) comparing measured nutrient loss with modelled loss via OVERSEER. The study showed that modelled values were over-estimating the actual loss of N by approx. 70% in cropping situations.

This level of variation leads us to conclude its not an adequate regulatory tool to manage and restrict N-Loss in High Country Environments, however OVERSEER is a useful farm management advice tool when its predictions are coupled with farm plans and farm financial modelling.

**Question 65** Do you support excluding stock from waterways? Why/why not?

WCG support excluding stock from waterways in situations where it is practical, effective and the stock are known to be having a significant impact on a waterway.

WCG are already addressing situations where stock access causes critical source areas on farms and is has an evidenced effect on a waterway via the use of a freshwater module.

WCG do not support a generic rule requiring fencing of all waterways, this is impractical for these large farms, financially unsustainable and less than strategic.

**Question 66** (Do you have any comment on the proposed different approach for larger and smaller waterbodies?)

WCG farm plans focus on smaller waterways as they lead to an accumulative effect. Farm plans need to be designed around critical source areas, treating the high-risk situations.

WCG support the concept of the approach to manage larger waterbodies, however WCG cannot see how it can be effectively and fairly implemented.

**Slope.**

The mapping data (slope layer) provided by MfE is also **technically flawed**. Slope is an independent landscape measurement. In this case it the area of slope has been **divided** into a non-environmental variable - the “property parcel area”, which is a surveying / administration measure.
If this layer is used it will lead to perverse situations where a large properties that have correspondingly % of less than 10 degrees slope, do not have mapped areas, but these areas contain critical source areas, and actually have less area to fence than a correspondingly smaller parcel would have if it was in the same location.

This issue is evidenced in the High-Country area by those properties that have undergone tenure review versus those who have not. The approach will lead to inequitable outcomes, both from an implementation viewpoint and environmental perspective.

Slope should remain as an independent element, if used as a guide and via a farm plan, a property can develop fit for purpose fencing plans in Critical Source areas, regardless of farm size.

5 degrees vs 7 degrees vs 10 degrees

Slope has been calculated at a gross scale and while useful to define “target areas”, all fencing / management actions need to be fit for scale.

Question 67 (Do you have any comment on the proposed five metre setback, or where it should be measured from?)

WCG farms consider 5 metre setbacks is too onerous and would rather see fit for purpose and location fencing plans done at a farm plan scale. Many farms have kilometres of waterways that would need fenced and 5 metres each side will lead to a large loss of developed land.

WCG farmers have already started fencing waterways, so suggest some accommodation of existing investment and action as long as fencing is fit for purpose.

Question 68 Are there any circumstances that are appropriate for allowing exemptions to the stock exclusion regulations? If so, please give examples.

WCG feel that there are several situations where its impracticable to fence the entire length of alpine environment waterways:

The influence of:

- High rainfall and challenging seasonal environmental conditions;
- The presence of strategic fencing to control gross stock movements, the use of natural barriers, such as rivers to contain stock on grazing areas, and a high capital cost of fencing;
- The need for open access for stock to water ways for stock water and limited stock water systems;

Means fit for purpose plans need to be developed.
Question 70 For the proposed nationally-set standards, which options do you prefer for the area threshold, slope, setback, and pugging depth components of the policy?

Area Threshold - WCG consider 10% as a standard figure for most farms in Otago/Southland and it represents the area of winter crop required to feed stock well over winter. It also represents the area that should be sown in new pasture each year.

Slope Threshold – WCG consider until the underlying data is developed accurately, slope should be used as a guide.

Setback Threshold - 5 metres can be considered the bare minimum setback for waterways in flat areas, if cropping on a slope setback needs to be applied on a case by case approach, based on guidelines. These guidelines already exist.

Pugging Threshold – this is impractical to measure (as shown in ORC Plan rules and open to misinterpretation). Pugging should only be used to alert / define an area that is high risk.

Section 9 General Comment - Support for Improvement in Catchments and on Farms

WCG consider the section "Support for Improvement in Catchments and on Farms" is the most important and relevant element of the discussion document.

All New Zealanders want to see our waterways protected, enhanced and managed for future generations.

WCG consider however the farming community, which represents a far smaller percentage of New Zealand’s population will be heavily affected. Financially, socially and emotionally by what is eventually required to achieve these outcomes.

WCG feel it is crucial that regulatory and industry bodies work with farmers to provide the support required. This support must provide a mix of:

- Incentivised approaches (like funding catchment partnerships, projects that show financial and environmental benefits that encourage on-farm initiatives)
- Projects that evidence initiatives that are effecting change, such as riparian fencing, perhaps provide rates relief proportional to areas protected;
- Practical and effective resources to promote education and innovation at a farm scale;

Exemplar Catchments

WCG offer to Government to use the Wanaka Catchment as an example of step in the right direction. The building blocks are present in this catchment to help inform and refine the proposals in “Action for Healthy Water Ways. The WCG feel MfE need more evidence and testing of the effects of these proposals on different farm systems, catchments and communities.
Section 10 – Impacts

WCG feel the example that has been used to examine the costs to a hill country sheep and beef farm can’t represent or provide a useful summary of the overall costs for a High-Country System (sheep and beef).

WCG encourage MfE to consult with the WCG on where the costs of the proposal and the environmental benefits will be measured on farm.