Freshwater Submission Ministry for the Environment PO Box 10362 Wellington 6143

Dear Sir/Madam

SUBMISSION BY THE WOLDS STATION LIMITED, JOHN MURRAY, BRONWEN MURRAY AND BRYN MURRAY

Our Farm

- 1 The Wolds Station is located 18km south of Lake Tekapo. We are the second and third generations of farmers on The Wolds Station and the fourth and fifth generations in the Murray family to farm in the Mackenzie Basin.
- 2 The Wolds Station is a freehold 6740ha sheep and beef farm and has been operated by our immediate family since 1957. Like most farmers, we have a great affinity for the land. We value greatly freshwater, and consider it important that it is protected. However, freshwater quality must be managed in a way that does not impede our ability to make a living from the land. This income funds our ability to look after the land in other ways, such as pest eradication (wilding pines, haeracium and rabbits) which is a major issue in the Mackenzie Basin, and costs between \$50,000 \$150,000 per property per year.
- 3 The Wolds has two rivers and an unnamed stream which flow boundary to boundary, which are greater than 1 metre in width (the Maryburn, and the Irishman). Under these proposals, they will have to be fenced with an average 5 metre setback the entire length, and on both sides. The total length of waterways requiring fencing is approximately 26.45km with both sides taking the distance to 52.9km of fencing. We have commented on the impact that this requirement would have on us below.
- We hope to leave our interest in the Wolds Station to our children, so it is of fundamental importance to us that environmental controls do not extend to such a level that it makes farming the land unviable for them and for future generations. It is critical to the New Zealand economy that a pathway for primary production continue to be provided in all areas of New Zealand where this is the current land use, and that this requirement be balanced against measures introduced to achieve healthy waterways.

Questions posed by the Action for Healthy Waterways Discussion Document.

Excluding stock from waterways

- 5 **Question 65.** There are certainly situations where stock exclusion is critical such as intensive farming operations, and where stock known to have significant adverse effects on waterbodies are farmed. However, for the reasons outlined below, we do **not** support the blanket stock exclusion rules as proposed, for all rivers over 1 metre in width.
- 6 **Question 66.** We support the different approach to larger and smaller waterbodies it is appropriate that the legislation focuses on larger waterbodies (i.e. rivers greater than 1

metre in width). The Wolds contains a number of waterways that are less than 1 metre wide, and for the reasons outlined below, if there were similar fencing requirements in relation to smaller waterways it would cripple our farming operation completely.

- 7 **Question 67.** We consider the 5 metre setback is too onerous. As we outlined above, we have 52.9km of river boundary which would be required to be fenced. A 5 metre setback on both sides of the river requires the retiring of 26.45ha of land at a minimum (not including areas around wetlands). That land, near the river boundary, is some of the most productive on the Wolds Station, and will impact our farming operations significantly.
- Additional to the loss of productive land is the significant cost to fence the waterways. A lot of the wetlands on the property follow the waterways, so the fence would have to be at a standard that excludes sheep, as well as cattle. This means that a cheaper electric fence isn't an option – a 7-wire fence will be required. Based on other fencing costs we have incurred, I anticipate that fencing will cost approximately \$14/metre. 52.9km will cost just over \$740,000, with an additional 10km of fencing required around wetlands which are not associated with the waterways, adding a further \$140,000.
- 9 The exclusion of stock from the waterways then introduces a further requirement a reticulated stockwater system. We have established some reticulated stockwater, however significantly more would be required if the fencing requirements are introduced. We estimate that cost at \$450,000, including costs of maintenance. Reticulated water is problematic in the Mackenzie Basin, due to the extreme temperatures in winter. Therefore, as well as the cost, it will also result in significant amounts of time being spent to keep the stockwater system operational over winter and checking it in summer that water is available which is an animal welfare issue.
- 10 The total costs outlined above (\$1,330,000) would take all of the discretionary spending on the Wolds for the next 15 – 20 years. This will have significant impacts on our ability to control pest plant and animal species, and also on our ability as a family to remain living and working on the land. It is unreasonable to expect us to complete this fencing and associated stockwater network in the next few years. There is no allowance for raising capital, and we anticipate any bank is going to be wary of lending that amount for something that has no return on investment.
- 11 **Question 68.** We **do** consider there are circumstances where exemptions to the stock exclusion regulations are appropriate.
- 12 Where a property has existing access to waterways, which show minimal damage, and low nutrient levels, it is appropriate to exclude that property from the requirements. We anticipate that such exemptions are likely to only apply to extensively farmed properties. We have included photos as **Appendix 1** which show the current state of one of the streams on the Wolds, which has had cattle access for more than 60 years.
- 13 At the Wolds, as at other stations in the Mackenzie Basin, indigenous biodiversity is a major issue. The ungrazed areas between the fence and the creek/river bed would become weedy, and introduced grasses may smother shorter native plants where they are present. In addition, introduced grasses (which are generally longer), are a major fire risk. Light grazing in this area actually does more harm than good, when compared with total stock exclusion.

14 Environment Canterbury already has existing stock exclusion rules (albeit with slightly different conditions to those proposed here). The regulations should include the ability to apply for an exclusion, where farmers have good reason (and the regional council has not yet introduced its own stock exclusion rules).

Wetlands

Stock exclusion and extent of wetlands to be identified and mapped

- 15 The stock exclusion rules, as they relate to wetlands, require any wetland identified in regional or district plans to be fenced by 1 July 2021. We have concerns with this requirement, as the Environment Canterbury planning maps over-estimate the actual wetland area by 30 to 50%. Please refer to Appendix 2 for an example of actual wetland boundary verses Environment Canterbury desktop assessment boundary.
- 16 Regulation 3.15(5) of the Draft NPS requires that wetlands of over 0.005ha be identified and mapped. This would capture dozens of small wetlands along small streams which are less than 1 metre wide on the Wolds. We consider that mapping of high-country wetlands should be exempt from this provision, and a new size limit of 0.5ha in the high-country should apply.
- 17 We also disagree with Regulation 3.15(6) which sets out the wetland delineation protocol, which is to be taken as "definitive" once applied. The application of the protocol is done solely by the regional council. In the situation where expert advice for the landowner disagrees with the Council finding, there must be an appeal process. These rules will impose significant restrictions on land use, and an incorrect delineation of what is 'wetland' has ongoing implications.
- As an example of this, as part of the tenure review process, a wetland was required to be fenced for protection. That has been done, and images of that wetland are shown in **Appendix 2.** As can be seen from the photographs, the area beyond the fence-line should not be classified as 'wetland' it is clearly paddock. The final photo shows the fence-line in the distance (actual wetland boundary), with the foreground showing the land Environment Canterbury has identified as wetland based on a desk-top study.
- 19 The stock exclusion rules should be limited to the definition of 'wetland' in the Resource Management Act, as limited by the proposed definition in the Draft Stock Exclusion Section 360 Regulations. There should be no reference in these rules to district or regional plan maps, unless those maps have been ground-truthed, and subject to a submission and hearing process.
- 20 We also note that the picture shows the significant grass growth within the fenced area, which is a major fire risk over summer, and completely smothers any indigenous biodiversity that may be present.
- 21 If fencing (of both rivers and wetlands) was required, weed control would be required. This would require the spraying of chemicals right next to the water body, to control weeds such as broom, thistles, sweet briar, willows and alders. We note that there is a requirement in the Canterbury Regional Pest Management Plan to control pest species and the interaction between these proposed stock exclusion regulations needs to be considered in light of other requirements, such as pest control.

Restricting further intensification

- 22 Irrigation extension. The Wolds still has some remaining border dyke irrigation. If that irrigation system was updated with centre pivot (or other spray irrigation), a significantly larger area could be irrigated within our nutrient baseline, which is a better outcome for both freshwater, and the Wolds financially. However, under the current proposal, the extension of irrigation of more than 10ha is said to be "intensification", even if it results in better outcomes, as outlined above.
- 23 It is our view that where irrigation extension can be done within an existing nitrogen baseline, the proposal should not apply. Where a nutrient baseline does not exist, we accept that a hectare limit may be the appropriate control. A setback from waterbodies would be acceptable.

Immediate action to reduce nitrogen loss

- 24 **Questions 58 64.** The Wolds Station is not within an area identified in Schedule 1 for immediate action to reduce nitrogen loss. However, due to our position in Canterbury, where Environment Canterbury has already undertaken similar steps, we do feel we are in a position to comment on the proposal.
- 25 Generally, we support steps to take immediate action, as it will have positive effects on water quality. However, we are concerned that the Discussion Document has given no consideration to the socio-economic impact the proposal will have, both directly on farmers required to reduce, and more widely within the communities that those farmers live and work. This is a common concern throughout the Discussion Document.
- 26 Question 61. We do consider that the steps already underway in Canterbury are being, and will continue to be, effective in reducing excessive nitrogen leaching. In particular the Good Management Practice Baseline, introduced by Environment Canterbury under Plan Change 5 of the Land and Water Regional Plan, will have significant impacts on how we manage the Wolds Station. Generally, extensive operations in the Mackenzie Basin have a loss rate of 10kg/N/ha/annum. Without farming operations, that loss rate is about 4 or 5kg/N/ha/annum. There is very little we can do to change our operation to reduce nitrogen loss, while still remaining profitable.

Intensive winter grazing

- 27 The Wolds relies on winter feed, with 173ha (2.56% of the total farm area) in crop over the 2019 season, and 199ha (3.95%) in the 2018 season. However, unlike the intensive winter grazing which we expect this proposal is aiming to address, our winter feed is mostly grazed by sheep, which results in minimal, if any, pugging and run-off.
- 28 Despite the above, the definition of *"intensive winter grazing"* in the Draft NES will capture all grazing of annual forage crops, regardless of actual effects. The Mackenzie basin is a very unique setting in New Zealand, with low rainfall. Generally, over the area of land that we put into winter crop, we might only grow about a quarter of what that area would be expected to yield down-country. It is frustrating that the same rules apply to our winter grazing – with no run-off or pugging issues – and to those more intensive winter grazing operations. That is the problem with national standards, as they don't account for the more individual farming areas such as the Mackenzie Basin.

- 29 In relation to the rules that limit the area of land used for intensive winter grazing (clause 30(1)(b) of the Draft NES), we make the following comments:
 - 29.1 It is <u>critical</u> that the "greater" of a percentage or total hectarage option is used. Our property is significantly larger than the vast majority of other farms, however it is also considerably less intensively stocked. It would be an absurd result if a strict hectarage limit applied, rather than a percentage.
- 30 We also consider that grazing sheep on winter forage crops should not fall within the definition of *"intensive winter grazing"* due to the greatly reduced likelihood of pugging and run-off.
- 31 In relation to pugging, the wording proposed in the Draft NES is nonsensical. These rules must be drafted in a way which is able to be interpreted on-farm easily, and assessing pugging depth across 50% of a paddock is not. We support the existing industry guidelines, in particular the use of the fetlock as the maximum pugging depth.
- 32 Farming is a future-looking business. Therefore, any rules which come into force cannot have immediate effect, as they relate to winter feed. Farmers must be able to plan for this (to anticipate stock numbers and supplementary feed required), and seeking a resource consent for an area of winter crop that is already planted, and relied upon, is a further stress we don't need.

New bottom lines

- 33 **Question 30.** We have real concerns with the bottom lines proposed for Dissolved Inorganic Nitrogen (**DIN**) and Dissolved Reactive Phosphorus (**DRP**). We consider that the numbers have been set far too low, at a level which is completely unrealistic.
- 34 For example, the Maryburn and Irishman Creek both run through the Wolds. These are waterways that are classified as 'pristine', and data can be found on both waterways at the Land Air Water Aotearoa website¹. That website shows that the Maryburn does show contamination (although it is well below the proposed bottom line of 1mg/litre DIN), which we consider can be almost solely attributed to the presence of Canadian Geese in the waterway.
- 35 I note that the 'pristine' levels have been maintained, as we have carried on 'business-asusual' farming, including stock near waterways, and winter feeding as outlined above. We consider this reiterates our position that we are farming the Wolds in a way which is environmentally friendly, and without adverse effects on water quality. It is inappropriate that extremely restrictive rules (which we consider are required in other areas) also apply and limit farming activity which can show such positive results.
- 36 When considering the DIN and DRP bottom-lines, please do not neglect to consider the economic and well-being factors that these changes will impose on the rural community. We support the goal of 'healthy waterways', but the reality is 'healthy' is a subjective term, and

¹ <u>www.lawa.org.nz</u>

may mean different things in different areas. That will result in the need for different rules in different parts of the country, and this 'broad brush' approach is inappropriate.

- 37 **Sediment.** Top soil loss is a major issue in the Mackenzie Basin, and top soil loss from wind is often deposited in waterways, which results in increased levels of sedimentation. The rules need to contemplate this, and farmers should not be punished by further restrictions, when increased sedimentation is occurring due to topsoil loss moved by wind.
- 38 If you have any questions in relation to our submission, please do not hesitate to contact us.

Yours Sincerely,

The Wolds Station Limited

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Appendix 1 and Appendix 2 contained over the page.

Appendix 1: Current unfenced waterway



Appendix 2: Wetland fenced under tenure review, showing extent of wetland not as extensive as Environment Canterbury planning maps show, and grass/pest growth within fenced area





Photo taken from the 'wetland boundary' identified by Environment Canterbury. Actual wetland boundary (fence in distance) can be seen 220 meters away.