**In the matter** ofthe Resource Management Act 1991

 **And**

 **In the matter** of the proposed Plan Change 18 (Indigenous Biodiversity) notified by the Mackenzie District Council

STATEMENT OF evidence of John murray

 for the wolds station Limited

**12 February 2021**

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# introduction

1. My full name is John Bruce Murray. I live at The Wolds Station, 18km south of Lake Tekapo.
2. I hold a Bachelor of Agricultural Science from Lincoln University graduating in 1976.
3. I am a member of Federated Farmers of New Zealand, and I was previously the branch president for eleven years.
4. I have been involved with various planning processes in the District, particularly Plan Change 13. I also made a submission on the draft National Policy Statement for Indigenous Biodiversity (included as **Appendix 1**), and the National Policy Statement for Freshwater Management (**Appendix 2**).

# Evidence

**Our Farm**

1. As outlined above, The Wolds Station is located 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. When our family purchased The Wolds in 1957, it was running 2,400 sheep, lambing rates were 75% and clipping 2.4 Kg wool. No cattle were on the property, and no fertiliser was applied. The Wolds now carries 11,800 sheep, lambing rates are up to 112% and clipping 5.8 Kg wool. The Wolds also runs 770 cattle with most cattle progeny fattened. So, both the number of stock carried and the per head performance has increased. A critical part of our success in increasing stocking rates and outputs so significantly is due to the application of fertiliser, and the increased feed that comes with that application.
2. The Wolds Station is a freehold 6722 ha 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 our environment, including indigenous biodiversity, and consider it important that significant indigenous biodiversity is protected. However, changes 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 are a major issue in the Mackenzie Basin and particularly relevant to indigenous biodiversity (I discuss this in detail later in this evidence).
3. 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 to protect indigenous biodiversity.

## Oversowing, Top Dressing and Maintenance Fertiliser.

1. Oversowing and Top Dressing (**OS&TD**) has occurred extensively over The Wolds. This was an issue that arose in the PC13 hearings, and I consider was not well understood by the decision makers. The **critical change** occurs at the initial point of OS&TD. I would estimate that 90% of the change that occurs happens at that initial stage (which, for the Wolds, occurred decades ago). Regular maintenance fertiliser of land that has previously being OS&TD does **not** have the same effects that OS&TD of undeveloped land has. It is incorrect to consider the two similar.
2. It is possible for areas that have been historically OS&TD, with maintenance fertiliser applied regularly, to support indigenous biodiversity. A good example of this is the land on the Wolds adjoining the west side of State Highway 8, which was OS&TD or direct drilled between 40 and 60 years ago, and has been regularly fertilised. That area contains some of the best examples of fescue tussocks on the Wolds and has been commented on by Eugiene Sage as being one of the best examples of fesque tussock when she worked for Forest and Birds. Ironically in PC13, Judge Jackson has made OS&TD a non-complying activity in Scenic Grasslands which contains this area.
3. I am deeply concerned that the Council through its s42A Officer’s report appears to have adopted points raised in some submissions seeking for OS&TD to be included in the definition of ‘vegetation clearance’. This cannot happen. Age old farming practices of OS&TD cannot now be considered clearance activities. I also do not consider that irrigation is a clearance activity and as irrigation is already included in the definition of agricultural conversion this will only promote confusion for plan users.
4. The way that PC18 reads, would require me to obtain resource consent for undertaking maintenance OS&TD activities in areas that cannot meet the definition of ‘improved pasture’. The proposed amended definition of ‘improved pasture’ requires that all indigenous vegetation – which by definition may include exotic species – must be fully removed and the vegetation converted to exotic pasture or crops. This broad definition is not in keeping with the unique Mackenzie Basin environment where pasture renewal on extensive landholdings are cyclic and often reliant on existing use rights. This means that if at May 2020 there were some areas of developed farmland that also contained scattered indigenous species these would not be considered improved pasture, despite years of previous OS&TD programmes.
5. While I accept that in its current version PC18 provides a pathway for maintenance OS&TD to be consented as a restricted discretionary activity, however this comes at significant expense and uncertainty associated with the development of a farm biodiversity plan. Further, the Council has reserved wide powers of discretion including “methods that will maintain on enhance indigenous biodiversity outside significant areas, including effects on the wider ecosystem health from the proposed clearance and how this may directly impact connectivity, function, diversity and integrity. I have grave concerns as to whether any vegetation clearance requiring consent would be granted. This stark reality needs to be considered alongside the broad definitions of ‘indigenous vegetation’, ‘vegetation clearance’ which will essentially capture all vegetation due to their all-encompassing drafting meaning there is no realistic (or cost efficient) pathway for existing farming practices to continue. This approach fails to promote sustainable management.
6. If we had to stop maintenance fertiliser use on land that was already OS&TD prior to PC18, then the carrying capacity of the Wolds would be reduced by an estimated 42%. This is not including the opportunity cost of no further development being able to occur. I have not attempted to quantify the cost for me to obtain resource consents (and the associated Council costs, expert reports and now proposed farm plans), but it would be significant, and all for an uncertain outcome.

## Economic impacts on the Wolds

1. A critical consideration missing from the Council’s assessment, in my view, is the economic burden the proposed rules impose on runholders. We have already had a significant change in available land as part of tenure review and again through PC13. The definitions proposed in the Council’s s42A report will further reduce our income and viability significantly.
2. It’s important to understand the development on The Wolds, as this directly impacts our income:

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| --- | --- | --- |
| Type of land | Area | Stock Units |
| OS&TD | 4273 hectares | 7350 |
| Irrigated and cultivated | 320 hectares | 4800 |
| Non-irrigated and cultivated land | 899 hectares | 2700 |
| Unimproved (light stony soils, mostly on Mt Mary + buildings, yards etc) | 780 hectares | 150 |

1. Without maintenance fertiliser and seed the carrying capacity of the OS&TD, land would quickly drop from 1.6 stock units per hectare to 0.2 stock units per hectare. This would mean a change from 7350 stock units on that land to 945 – a decrease of 6405 stock units. That level of change takes around $6.4million off my balance sheet, and equates to a 42% drop in income.
2. Last year we spent $58,000 on weed and pest control mostly on rabbit and some wilding tree control. This year $100,000 is contracted to be spent on wilding tree control, mostly on land which has been subject to a less frequent (but still cyclic) OS&TD regime – pasture and therefore grazing keeps wilding pines at bay. We have alsobudgeted to spend $80,000 on 1080 carrot for rabbits.
3. Even at what appears to be a high gross income, there is not much left for discretionary spending. If the Wold’s gross income dropped by even 15 %, the wilding tree control would be dropped totally as there is currently no economic benefit from it, we are mainly protecting biodiversity. The scenario I have outlined above (with a 42% loss in income) means we would have to seriously consider what other discretionary items were removed from the budget – if farming even remained viable.
4. No one is required to compensate farmers for the loss of income as a result of PC18 or the millions wiped off their balance sheet. In addition, no one seems to be explaining who will bear the costs for the extensive biodiversity surveys that the Council is requiring as part of the proposed rules and the extensive detail to be included in the proposed farm biodiversity plans. Ecology expertise does not come cheap, yet it appears to be the farmer left to pay the price for the “public good”. However, the RMA requires the impact on farmers social and economic wellbeing to be considered **as well as** the ecological benefits. The proposal here, according to technical evidence prepared by Peter Espie based on his long term monitoring in the District, will not result in improved scenarios for indigenous biodiversity (and may well result in worse outcomes), but will certainly have far-reaching consequences for farmers and the wider community.
5. I am conscious that I can only speak to you about the economic impacts I know about, which are to my operation. However, these things are far reaching. We provide work to a wide range of people in the community, and any impact on our bottom line will always have flow on effects to theirs. For example, over half of the transport industry is required to move farm produce and farm inputs around.

## Other factors for indigenous biodiversity loss

1. The evidence for the Council focusses on land development only. There is recognition of the fact that pest weeds and animals are a significant factor in loss of indigenous biodiversity, but there is no link made by the Council between pest species, and who controls those.
2. The Mackenzie Basin is a unique environment and shutting the farm gate will not work as the greatest loss of indigenous biodiversity is not caused by land use development but by weeds and pests. Land in the Mackenzie Basin subzone needs to be actively managed to preserve biodiversity and this is very expensive.
3. I have given evidence previously to the Mackenzie District Council that between $50,000 and $150,000 is spent per property per year to manage pest plants and animals. The cost of wilding tree control will escalate by around nine times if maintenance fertiliser cannot be applied. The Wolds has OS&TD land where no wilding pines have grown despite a close seed source but over the fence on the roadside wilding trees are regularly removed. Changes which reduce our ability to stock the land also reduce our financial ability to undertake pest control. This balance **must** be considered when assessing the benefit of any proposed changes. In some circumstances restricting land use development and the maintenance of current development may exacerbate a decline in biodiversity on the basis that reduced income derived from the farm operation will lead to less money available to spend on weed and pest control. Biodiversity continues to decline in non-farmed areas such as airfields, roadsides and reserves where there is no grazing or active management for indigenous biodiversity.
4. An example of the above is Haeracium, which was a real problem in the dryer parts of the basin. By out-competing other plants for nutrients and water, it reduces biodiversity including tussocks and even scrub including matagouri, Spaniards and native broom. Up to 30% bare ground can result leading to more erosion of soil. Haeracium is palatable but much less productive than comparable pasture cover (400Kg/Ha/year compared to 1000-2500Kg/Ha year in pasture). In the early 1990’s The Wolds had to remove 2800 stock units as a result of Haeracium and rabbits. It took a considerable investment in irrigation and oversowing (both of which will be limited by PC18) to be able to remove the Haeracium, improve the pasture and get stock numbers back to an economic level.
5. Many landowners in the Mackenzie Basin subzone value indigenous biodiversity and adjust their farm practices to voluntarily protect significant areas – this is often the sole reason why areas of significant indigenous biodiversity remain.
6. Significant research is required to understand and control pest species such as Haeracium, wilding pines and sweet briar and funds are required to control these pests at a District wide level rather than relying on individual landowner commitment. The benefits of protecting indigenous biodiversity are predominantly to the nation yet the cost (in social, economic and wellbeing) has so far been exclusively borne by landowners. At present indigenous biodiversity protection by landowners has minimal financial return and is not the prime consideration in making economic decisions.
7. Indigenous biodiversity continues to decline even in land owned by the Department of Conservation. In my opinion no net loss of significant Indigenous biodiversity will not be achieved by the rules proposed by PC18 but farmers livelihoods will be sacrificed in a failed attempt to try by ignoring the science available. I consider Peter Espie’s evidence to be quite clear that there are no improved outcomes for indigenous biodiversity in the Mackenzie Basin where farmers are taken out of the equation. The prevalence of pest species will completely wipe out what the Council is aiming to protect. Mr Harding’s evidence for the Council does not seem to acknowledge this at all.

## Draft National Policy Statement Indigenous Biodiversity

1. As outlined above, I made a submission on the draft National Policy Statement Indigenous Biodiversity (**NPSIB**). I understand that a significant number of submissions were made on this.
2. I had understood that the District Council process was to be delayed until the NPSIB was released (delayed due to Covid-19). This seemed sensible to me. I am disappointed that the Council has decided to proceed, without the benefit of understanding the national direction.

**Proposed maps**

1. The areas of converted land/ developed pasture identified on the maps is reasonably accurate but misses some smaller cultivated paddocks on The Wolds. Unfortunately, the map is not of a large enough scale to determine the accuracy of the boundaries or to make corrections. We have requested the GIS maps that the Council’s evidence refers to, and these were made available the day before evidence was due. I have not had time to review these in detail (although I understand from Council now that they are not intended to be relied upon) however by the time of the hearing I will make sure I have considered these maps, and where I think the biggest errors are.
2. The partially converted/developed land identified on the planning maps is not reflective of the situation on the ground. There are considerable areas of land (around 2,000 hectares) that have been subject to the same treatment as the land Council has identified as “partially developed”, and no reasons given for excluding that land. Peter Espie has addressed this in his evidence.

## Peter Espie’s evidence

1. I have read Peter Espie’s evidence, and consider it is critical information to assist the Commissioners. What that evidence says is consistent with my knowledge and understanding of the land I have farmed for decades. The major issue with biodiversity decline is pests, and often with reduced cover as a result of those pests, soil loss. I consider his evidence is significantly more detailed and relevant to the Mackenzie Basin than the evidence of Mike Harding for the Council.

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John Murray
12 February 2021