

IN THE MATTER OF the hearing by Horizons Regional Council under the
Resource Management Act 1991

AND

IN THE MATTER OF submission on the Overall Plan Proposed Horizons One Plan

SUBMISSIONS OF FEDERATED FARMERS OF NEW ZEALAND (INC)

P4

1 INTRODUCTION

1. My name is Julie Ireland, and I represent Federated Farmers of New Zealand (Inc). I am a contractor with the Federations local policy team, based in Palmerston North. I am principally concerned with local government and resource management matters in the Horizons Region. I have a Degree in Agricultural Economics, a certificate in Agricultural Science and over 15 years experience in agricultural policy and practice. I also live on a farm in Feilding.
2. Federated Farmers is proud to represent the majority of New Zealand farming businesses. We are interested in the Proposed One Plan because we are concerned to see that the interests of individuals, who rely on land and water based resources, are adequately protected.
3. Our key strategic outcomes include the need for an economic and social environment within which:
 - a Our members may operate their businesses in a fair and flexible commercial environment;
 - b Our members' families and their staff have access to services essential to the needs of the rural community; and
 - c Our members adopt responsible management and environmental practices.
4. Regional planning provisions are important to the farming sector. Federated Farmers believes that rules should be as permissive as possible. They should provide for normal farming activities to be undertaken without the necessity of having to obtain a resource consent. Other activities should not require a resource consent unless there are identified adverse effects on the environment. There are other avenues that should be considered as well as rules/consents. Education and consultation are examples. For example the latest DairyNZ Environmental Farm Walk workbook for dairy farmers.
5. The hearing today deals with submissions to the overall proposed One Plan. Federated Farmers has focussed on how the provisions relate to farming businesses and the potential social, financial and economic impact in the region.
6. Within the Manawatu-Wanganui region there are four Federated Farmers of New Zealand provinces; Manawatu-Rangitikei, Tararua, Ruapehu and Wanganui. With me today to give an overview of how these provinces are impacted are:
 - Brian Doughty President of the Wanganui Province;
 - Gordon McKellar President of the Manawatu-Rangitikei Province;
 - Lyn Neeson, President of the Ruapehu Province; and
 - Andrew Day, President of the Tararua Province.
7. Federated Farmers members, particularly members from the four provinces represented here today have collectively and individually taken a keen and active interest in all stages of the Proposed One Plan process since the initial draft.

GENERAL COMMENT

8. Federated Farmers is supportive of Council combining the regional policy statement and the regional plan into one document.
9. Federated Farmers is concerned that the proposed One Plan provisions do not take sufficient account of the practicalities of farming. For example, while Federated Farmers supports the effort to seek scientific justification and support for rules, we do not believe Council has adequately "earthed" the rules. That is, the practical application and transferability of the science on different farms and across the region has not been adequately evaluated. Consequently, provisions such as those in chapters 12, 13 and 15 have the potential to seriously negatively affect the viability of farming operations.
10. Federated Farmers believes that rules need be effects based and provide flexibility within the farming system to allow for farm type and environmental variances, such as soil type, rainfall, aspect and the adaption of the resulting land use within those environments, whether the landowner/occupier is raising stock, planting crops, or in most cases a variety of these within one property.
11. We believe that more practical testing on farm, to determine if farming in region can remain viable under the proposed rules is required.
12. It is our submission that Council has belatedly attempted to test the impact of certain rules on farm, through farm trials and additional scientific research, as to how the plan will work in practice. This is commendable, however uncertainties remain. Further, it is this testing that should set the basis for policy formation and effects based management, not the other way round.
13. Specifically, on-farm trials of the FARM Strategy were not done in a timely manner, or using suitable sample size. Consequently, submitters have not been able to adequately determine the impact of the rules before the submission deadline. As far as we are aware only one whole farm plan has been released for public discussion and no FARM Strategies. The basis of any support for on-farm planning is to allow for adaptive management and to recognise the individual nature of each farming enterprise and how it impacts on its environment, not to provide a "blueprint" for land use or management within the region. This is difficult for farmers to make sensible comment on part of the One Plan without having how other parts may affect them. Farming is a holistic business.
14. Additional work is required to test on-farm the practical application and transferability of the science.

15. SUMMARY OF SUBMISSION

Federated Farmers has 3 overall submission points which we will discuss under these headings:

- a Sustainable development
- b Contribution of farming to the region
- c Definitions

16. Sustainable Development

Federated Farmers believes that there must be a balanced evaluation, as much as possible, of the four components of sustainable management (environmental, economic, social and cultural wellbeing).

17. In our submission (426), 1.5 (page 1-5) Working Towards a Better Future, we supported Horizons view "on working with people and communities to evaluate and deliver local solutions for local issues; and the idea that solutions need to be practical and appropriate to the scale of the problem as well as being affordable for ratepayers and communities in the Manawatu-Wanganui Region".
18. Federated Farmers is concerned that the financial and economic burden on farmers to comply with the proposed rules has not been adequately considered.
19. "The definition of "environment" in section 2 of the Resource Management Act 1991 ('the Act') refers to people and communities and their economic conditions. But more importantly the meaning of "sustainable management" defined in section 5(2) the Act (under the purpose) refers to enabling people and communities to provide for their social, economic and cultural wellbeing.
20. Section 5 (2) of the Act states:
In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while –
 - a. *Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - b. *Safeguarding the life-supporting capacity of air, water, soil and ecosystems; and*
 - c. *Avoiding, remedying, or mitigating any adverse effects of activities on the environment.*
21. Federated Farmers believes that the economic wellbeing of people and communities must be fully considered when policy makers judge whether proposed rules are practical, affordable and appropriate in dealing with the problems identified. This judgement will depend on the facts of a particular case. "Economics is a powerful argument in this judgment." John Gallen, Legal Advisor to Federated Farmers.
22. For example, rule 13-1 uses the dairy farming model to apply aggressive N

reduction targets - using a “sinking lid” approach and land use capability classes (developed to classify erodible land). This has the potential to force reduced production with reduced stocking rates as the only available option to meet the proposed N leaching targets. Also, ongoing N reductions over time will be required. This cost of completing and implementing a FARM Strategy and potential loss of income will vary depending on the catchment, farm type, farm ownership, debt servicing and the nature of the farming operation/enterprise. (We will discuss these issues in detail in future submissions).

23. The effect of the proposed rules will be to penalise intensive farming businesses through additional constraints and costs on their farm operations. The ability of these farms to develop in the future and achieve productivity gains will also be compromised.
24. Contribution of Farming To The Manawatu-Wanganui Region
Brain will provide a summary of the expert evidence provided by Rob Davidson, Executive Director of the Meat and Wool NZ Economic Service, to highlight farming's contribution to the regional economy and the likely impact if stock numbers are reduced by 10%.
25. Definitions
In our submission Page 68 (426/215) we recommended Council add definitions from the RMA in the One Plan glossary. The purpose of this is to help ease of use and clarity for stakeholders. For example, terms such as “life supporting capacity” have meaning under the RMA but for clarity needs to be defined or explained under the proposed rules.
26. “Property”
Federated Farmers (426/230 Page 73 of the officers report) supports in part the recommendation to change the definition of “property”. However, our concern relates how the term is applied. For example, water use restricted on a “per property” basis, is opposed not only because it is inconsistent with section 14(3) (b) of the Act, but also because production on large farming enterprises with few allotments / titles would be unfairly penalised.
27. Federated Farmers noted two methods to manage water quality in the region (non-regulatory SLUI and regulatory FARM Strategy). This has generated concern and division, particularly because of the additional funding and incentives available to help farmers on erosion prone land reduce accelerated erosion that is not available to assist intensive farming operations, which are considered to be of a greater threat to water quality.
28. Federated Farmers has supported the non-regulatory approach to achieving a reduction of accelerated erosion on erosion prone land. However, there is an underlying threat that if the methods to reduce accelerated erosion are not successful in the 10 year life of the plan, then possible regulatory methods will be looked at. This is of particular concern given that farmers are being encouraged to retire some of their land with no compensation or consideration of the effect on future property values and the consequential impacts on potential investment security.

29. Overall, Federated Farmers recommends the following examples of changes to proposed rules:

- I. (15-1 and 15-2) water takes as per section 14(3) (b) the Act be permitted without the necessity of a resource consent.
- II. (13-1) Activities should not require a resource consent unless there are adverse effects on the environment
- III. That definition's, such as "Highly Erodible Land", "Rare and Threatened Species", "at risk-Habitats" and others mentioned in our submission be clarified and relevant.
- IV. Resource consents costs in terms of time, expense and uncertainty be considered based on the scale of the problem.

30. Throughout the presentations to this panel Federated Farmers will have a range of farmers presenting information for consideration, with particular reference to how the proposal will affect their business. Federated Farmers would be happy to host the panel on-farm so they can see for themselves the impact of proposed rules.

On behalf of the Federated Farmers of New Zealand Provinces here today, I thank you for allowing us to present these submissions.

Julie Ireland
Contractor, Local Policy/RMA

3 July 2008