

Before the Hearing Committee

In the Matter of hearings on:

**Submissions concerning the Proposed One Plan
notified by The Manawatu-Wanganui Regional Council**

SUBMISSION BY:

Winston Oliver

**Asking that all of the Proposed One Plan
be withdrawn.**

INTRODUCTION

My qualifications/experience

My full name is Winston George Oliver.

1. I have had 45 year experience in farming steep hill country in Taranaki, Waitotara River Valley, Whanganui River Valley and at Brunswick just outside Wanganui.
2. Since 1972, I have been farming in the Orautoha /Ruaititi area in the Manganui O Te Au River Valley, northwest of Raetihi.
3. I have been a County Councillor on the Waimarino County Council and a member of the Waimarino Committee Board and a member of the Whanganui River Reserve Board.
4. I am a life member of the Queen Elizabeth II National Trust and have been a member of Federated Farmers for about 40 years and are currently on the Wanganui Executive of Federated Farmers.
5. For 11 years I ran a commercial 5 day boat trip down the Whanganui River from Taumarunui to Wanganui, totalling over a 100 trips. I have tramped for 40 years through bush areas in the Whanganui River back country.
6. I have been active in soil conservation having a farm plan prepared by the Rangitikei-Wanganui Catchment Board and started pole planting in 1974. This continued on under the Manawatu-Wanganui Regional Council to the 1990's.
7. I have had experience in the Environment Court.
8. After the release of the One Plan, I have attended two meetings with Horizon's staff to explain the Plan and have taken part in four other meetings to discuss the Plan, some with Federated Farmers and some with Propriety Rights Group. I have also attended four pre-hearing meetings with Richard Thompson, the facilitator.
9. My Submission:

I oppose all of the One Plan and ask that it be withdrawn.

Reasons: The Section 32 report fails to adequately evaluate:

(a) The benefits and costs of the implementations of the plan.
(b) For communities and people to provide for their social, economic and cultural well being.
10. The Proposed One Plan is an extreme over reaction to the 2004 storm event or rain bomb that has a return period of greater than 100 years.
11. The Proposed One Plan with its extreme rules and aims affecting hill country farms is already affecting the social and economic well-being of hill country farmers. Our land values have dropped, buyers won't now buy steep hill country until they know the implications of the One Plan.

12. In my case, over 50% of the two properties farmed by myself and family is classed as 7 and 8 land, defined in S.42 reports (Dymond, Roygard and Mackey) and schedule A of the proposed plan as highly erodible land. (H.E.L.) Under the proposed rules on vegetation clearance (12.4) we could only clear 1 ha per year per property on H.E.L. land. If Council decline a resource consent to clear more than 1 ha per year of regrowth scrub, the properties would become uneconomic, forcing us off our land. To keep our country free of scrub, we have to clear more than the permitted 1 ha per year. Under the Sustainable Land Use Initiative (SLUI) retiring land is voluntary but not granting resource consent, Council could achieve their stated aim of **large scale land use change** (5.1.2. Proposed Plan).
13. Unfortunately the proposed plan fails to recognise that I and hundreds of other farmers have been practising soil conservation for many years. It is estimated there are 18,000 planted trees (from poles) in the Whanganui River Catchment (Whanganui Catchment Strategy). I have a farm plan prepared in Catchment Boards days. I and hundreds of other farmers have planted many thousands of poles on land that has a risk of erosion. But in recent years, the Regional Council sold their nurseries, reduced the number of soil conservators and this excellent scheme virtually stopped until along came February 2000. Now Council has re-invented the sound and proven past scheme, but at an extreme and very costly and unnecessary level.
14. No matter what we do or even if we retired, all the hill country a storm of the magnitude of 2004 would still cause extensive flooding affecting houses, townships, road and rail links. It is very wrong to attribute the blame of the full cost of the storm to hill country farms.
15. Section 32. RMA.

This evidence is in relation to the Sec. 32 report, chapter 6. Land and the assessments of options, costs and benefits. (4.4.3)

*Option 1 – Whole farm business plans (Policy 5.1)
Cost to the community are stated as:*

- (a) Community has to bear the ongoing impacts until all the improvements have been made.*
- (b) Some level of financial cost through high demand on Council Staff.*

16. The One Plan 5.1.2. The Region has approximately 300,000 ha of hill land at risk of moderate – severe erosion.

S.42 J Roygard. 29. states – highly erodible land that is not protected is 273,527 ha or 12.3% of the Region.

Whanganui Catchment Strategy. Figure 1. Land best suited to forestry and retirement is 12%.

S.42 Lachie Grant. 17. For the 40 (farm) Plans in this analysis, the average reduction in effective area was 8.7%.

The One Plan 5.1.2 and the Sec. 32 report 6.1.2 state: **large scale land use changes** are likely to be required.

S.42 Allen Kirk 32. Particular emphasis will be on ensuring the HEL is treated appropriately this will usually (but not always) require **land use change**.

17. I totally reject the notion that you can reduce the effective area of a farm without affecting the economic output. At a meeting held at Gordon Gower's residence after the pre-hearing meeting at Trevor Johnson's farm, I asked the 13 farmers present, did anyone agree with Alan Kirk's (Horizon staff) claim that if you retired steep areas the production of the farm would not drop, but may improve. Every farmer totally disagreed with Kirk's claim.
18. The Rainy Whole Farm Plan recommends 26.7 ha for retirement and 26.7 ha for afforestation. This would mean a reduction of about 200 ewes or stock units. It also recommends more superphate manure for the hill country. That recommendation was made when superphate was \$188.14 per tonne ex Napier. Today's price is \$480 per tonne plus increases in cartage and aerial top dressing. The loss of 200 stock units would result an economic loss to that property. It is not economically possible to off-set the economic loss by putting more superphate on. It is possible to carry more stock on the better parts of a farm to off-set the stock from retirement areas by planting crops and new grasses and with high phosphate and nitrogen manures. But the costs of intensive farming are greater than the returns. We all farm up to an economic level above that level the costs out weighs the returns. In the area I farm, it's not possible to plant forestry on our land zoned HEL, because of the very shallow soils on the sandstone formation. Farming bees is again not practical, as we can't get truck loads of beehives away from the road and onto the farm due to lack of suitable access. Carbon farming may provide some return of retired land, but indications are the returns would be very low compared with producing food.
19. A reduction in effective farming area running sheep and beef of 8.7% across the Region could mean a similar reduction in economic output from the Region using 06-07 prices (a very low year) the economic output of sheep and beef farms was 1.5 billion. An 8.7% reduction or economic cost is 130.5 million. If the One Plan target of 50% of properties with HEL have an operative whole farm business plan by 2017 (5.5) than by 2017 the economic cost would be 65.25 million and I presume the full economic cost of 130.5 million would be reached by year 2027. These cost are not a one-off cost, they are there year after year. (Economic service, Meat & Wool NZ. See annexes)

The cost of the Sustainable Land Use (SLUI) package is 84.6 million over 10 years (Sec.42 Alec Mackey. Table 1)

The cost of carrying out the recommendations in the Rainey Whole Farm Plan, Page 22 is \$34,000 or \$95 dollars per ha over 5 years – 50 plans the cost is 1.7 million.

The Whanganui Catchment Strategy (2.4.3) shows there are over 96,000 ha of pastoral land which should have some trees planted on. The desk top study estimates the number of over 2 million at today's cost of \$11.30 per pole equates to 44.6 million and that is just the Whanganui River Catchment.

20. Another economic cost that has to be considered is the affect of land values on hill country as the result of the Proposed One Plan. The Waikato Regional Council proposed rules for land around Lake Taupo has resulted in the Dymock family farm with a rating value of 3.1 million being eroded because of rules restricting their farming activities. Their farm is now worth \$2 million less than its rateable value. (Charlie Pedersen – Federated Farmers President) Advice from a Real estate Agent is that the Proposed One Plan on hill country has put off potential buyers or significantly reduced the value of those properties. (See annexes). Obviously the drop in land values caused by the Plan is not as great as the Dymocks Taupo farm but it is significant and possibly several hundred thousand dollars per hard hill country farm. The ramifications and social affects could be considerable.
21. These identified costs in this evidence are real, significant and have considerable social affect such as limiting growth, demise of small rural schools, services, and employment in our small rural towns and communities.
22. On the 3rd August 2007 I attended a Horizons presentation of the Plan to the Ruapehu District Council, where Horizon stated that economic and social sustainability were T.A. role. Clear evidence Horizons have not met their statutory responsibilities.
23. I submit that the assessment of costs and benefits 6.4.2. (Sec.32 report) are flawed as follows:

Page 56. Option 1. The cost and effects to people and community are stated as very low. The identified monetary cost in this evidence have not been considered. The non-monetary costs or effects of social, economic and cultural well-being have also not been considered or included in the assessment.

The correct assessment of Option 1 should show the cost as being very high.

Page 57. Option 1. The benefits are over-stated as high. It is wrong to claim significant improvements in the upper catchment will provide significant reduction in impacts on the landowners in the lower catchment and on infrastructure. When upper catchments were all covered in vegetation, storm events significantly affected infrastructure, house and people and community well-being – see the historic facts (annexes). Whole Farm Plans won't significantly reduce the impact of storm events.

The correct assessment of Option 1, 2, 3 and 4 should mid-way between High and Low as Option 5.

24. I submit the Section 32 analysis is seriously flawed. Schedule A, (HEL) is flawed and Chapter 5, (Policies and Regulations) and rules are also flawed and should be re-written.

I therefore ask that the One Plan be withdrawn.

25. In the Ruapehu District Whole Farm Business plans will fail. We don't want Horizons on our farms. We were not consulted before the proposed plan was notified. We take strong acception to our farms being called H.K. land. We have shown our opposition to the proposed plan be replacing our Regional Councillor.

Horizon's Staff are now talking about significant changes at the pre-hearing meetings. They have come to realise that they should have consulted hill country farmers and got things right before the proposed plan was notified.

26. I ask that Horizons adopt Option 5.

Education and information provision. This would be the best Option if a correct cost/benefit analysis was done. This option with rules would be more affordable and more acceptable to the rural communities.

LAND USE CAPABILITY CLASSIFICATION TABLE

Class	Area (Ha)	% of Property
III	35.7	6.9
V1	2.1	.4
VIe1	61.0	31.0
VIe2	92.7	
VIe7	.3	
VIe8	5.4	
VIIe1	88.7	54.9
VIIe2	115.6	
VIIe8	78.2	
VIIIe	34.3	6.8
TOTAL	514 Ha	100 %

Arable land - 35.7 Ha 6.9 %
 Non Arable Land - 478.3 Ha 93.1 %

Historical
facts

Re-Flooding

From
the Wanganui
story

by
Smart and
Bates.

Floods were another hazard in the early days. In November 1857, the southern half of the North Island experienced a period of exceptionally wet weather accompanied by gales from the south-west. Soon the Wanganui River was running bank high past the settlement, and by December 3 the river had overflowed its banks and flood water swept over the flat land at Sedgebrook and Putiki. Many small bridges were destroyed and swept out to sea.

The bridge over the Turakina River was completely destroyed. The Whangachu Bridge, which at that time was nearing completion, suffered a similar fate. A report dealing with this flood states that nearly every settler had some loss to deplore; houses and barns were flooded, fences and tanks were washed away and cattle and sheep drowned. The flood water quickly subsided, leaving in its wake a scene of desolation. Crops had been ruined and in some places silt covered the pastures to a depth of several inches.

Less than twelve months and the Wanganui River was again in flood. On this occasion the Wanganui district had experienced a spell of bad weather for three days, from the 26th to the 29th

of September, 1858. Heavy rain and winds from the north-west swept the settlement and the river rose to an unprecedented level. Flood water swept through the shops and warehouses situated along The Beach, as Taupo Quay was known in those days. The flood spread over the flat land on both sides of the river. The Chronicle reported that this was the highest flood ever known. The wharf at Messrs Taylor and Watt, General Merchants and Shipowners of Taupo Quay, was completely destroyed when the flood was at its worst. The old commercial wharf, owned by Mr J. Gerse, the proprietor of the Commercial Hotel on the corner of Taupo Quay and Wilson Street, was also carried away, so also was the jetty of Mr Jones, the ferryman. Much to the relief of the settlers of No. 2 Line, the new Whangaehu Bridge withstood the force of the flood. The rising waters of the Wanganui swept across the flat ground of Putiki pa completely wrecking most of the raupo thatched huts. Even the more substantial buildings were torn from their foundations and swept out to sea. There had been many occasions when the waters of the river had run bank high, but this was the worst flood the settlers of Wanganui had ever known, although Major Kemp once recalled earlier floods in the river. There was one occasion in the early 1840's when the river flooded to such an extent that the water was about sixteen inches deep just below the present intersection of Ridgway and St. Hill Streets. At this spot a canoe was overturned, and the two occupants were drowned. Prolonged periods of wet weather caused minor floodings of the river during the year 1854 and again in 1866. A flood of more serious proportions was experienced on March 2, 1869, when considerable damage was reported from all parts of the district. The first bridge built across the Upokongaro stream (known at that time as the Little Wanganui River) was carried away, destroying the land access between the village and Wanganui.

On the evening of Thursday, February 10, 1891, heavy rain started falling throughout the Wanganui district and during the following day the rain continued. At daybreak on Saturday, it was realised that the river was at flood level. The press announced the flood with these headlines:— "Highest flood on record! Taupo Quay flooded, bridges washed away and great damage to property! Boating in the streets!" At the height of this flood, it was feared that the Town Bridge would collapse before the water which reached to within a few feet of the decking. There

1. **Horizons Pastoral Sector** - summary. This spreadsheet tab summarises for the **Horizons Regional Council hinterland Farm Gate Revenue** from Sheep and Beef, and Dairy farming. Farm Gate Revenue is used to describe the output and economic activity farming generates in Horizons. For 2006-07 at the Farm Gate, Gross Farm Revenue was \$1.004 billion with **53% from Sheep and Beef Farming** and 47% from Dairy Farming. In turn this Gross Farm Revenue is spent in the Horizons region to operate farms and the net after this is spent by the farm family on their living expenses. Each dollar revenue at the farm gate generates \$2.82 of economic activity largely in the region to **total \$2.832 billion**. This down stream and upstream activity includes all the processing, handling and transport of farm production, farm inputs and services to run the farm and family living expenditure. These all flow into generated economic activity and employment in the region. Keep in mind several factors: (1) 2006-07 was the second poor year for Sheep & Beef Farm businesses with very low profit. Drought in 2007-08 has further exacerbated low profitability for the third successive year. (2) A 10% fall in production, say for regulatory reasons, would cut Farm Gate Revenue similarly and at 2006-07 prices cut \$283 million economic output from the region. The key question is what would replace this? Conversely if farm productivity (or prices) rise 10% this would create \$283 million of extra activity in the region.
2. **Horizons Pastoral District** - detail. This contains the same data as in the first tab but splits this out into Horizons District Councils. This table highlights the relative importance sheep and beef farming and dairy farming in different Districts. An added item at the foot of the table shows for 2006-07 Horizons Pastoral Sector Gross Output per capita at \$12,900 and per household at \$40,500.
3. **Revenue and Expenditure per Farm** - This tab shows for Sheep and Beef Farms for 2006-07 and 2007-08 revenue sources, expenditure (in summary) and farm profit before tax. This is based on our Taranaki-Manawatu region sample which is an excellent guide to Sheep and Beef Farm trends in Horizons. Also shown in this table (line 21) is the change in working capital (increase to debt) to fund activity due to low profitability (high exchange rate) over the past 2 years. The 2007-08 estimate was updated in January 2008 and since then the drought may have reduced profitability further than shown. The fertiliser tonnage shown for 2007-08 is likely overstated as the expenditure will buy less

due to significant fertiliser price increases. The second part of the table shows the local authority Rates expenditure per farm. Rates struck for 2008-09 need to take account of the Sheep and Beef Farm situation - see previous email comment on casting this in Regional Council terms. The second part of the table shows some output per hectare coefficients that may be of use. e.g., Class 3 Hard Hill Country on average produces 2.4 prime lambs per hectare and 1.2 store lambs for finishing on downland farms. 273,000 hectares with erosion potential taken out of production systems would cut 655,000 prime lambs and 328,000 store lambs (\$95 million at FOB) unless the land closed was not part of farm grazing systems. This brings into focus that hill and downland farming systems are integrated and are not stand alone as the hill country provides store stock to finish on easier downland country.

4. **Number of Farms.** The Meat & Wool New Zealand Economic Service estimate is that there are 2,030 commercial sheep and beef farms in the Horizons region and from Livestock Improvement Corporation (LIC) data 885 dairy farms. In total around 2,915 pastoral farm businesses generate \$2.8 billion gross economic activity in the Horizons region or just under \$1 million per farm (\$975,000) in 2006-07 price terms.
5. **Comparable Sector Data.** We do not have to hand comparable data for forestry - except to say the new forestry planting is very passive in economic terms for wood as it does not generate revenue or much economic activity for 30 years. Selling carbon credits could be a future option to help conservation planting until the trees mature. We have asked NZIER if we can get similar analysis for forestry and tourism in the region but nothing is readily to hand.

Please phone if you wish to discuss any of this analysis further.

Kind regards

Rob Davison
MW1018

Copied to: Tim Hembrow and Liz Russell Meat & Wool New Zealand, Feilding. Nicola Shadbolt Massey

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27 June 2008

To Winston Oliver

I would like to express my concerns in regards to the proposed Horizon One Plan.

In my capacity as a Rural Real Estate Agent and with my catchment area being within Horizons boundaries I would like to point out the impact that the proposed One Plan is having on hill country farmers within our area.

I deal with many outside purchasers as well as local buyers and am obliged to tell them that they should familiarise themselves with the Horizons planning and be aware of the implications that may face them in the near future.

Firstly – the unknown fact of what the final plan may be has either put off potential buyers, or significantly reduced the value of these hill country properties as the potential purchasers need room to operate within the constraints that the one Plan proposal may impose on them.

Secondly - It has been brought to my attention that the One Plan has lots of grey areas within it and some potential purchasers have found it extremely hard to get confirmation or quality advice on the plan.

Thirdly – with my experience in the rural community over the past 20 years my observation is that 95% of all farmers are conversationalists in their own right and strive to protect their environment as this also protects the value of their asset.

This One Plan is undermining and devaluing the properties in this area by reducing the competitiveness of the purchasers for this class of land.

It is my suggestion that the Regional Council should be educating farmers on sustainable farming practices and not imposing regulations that will devalue the hill country properties.

I thank you for your efforts and representation of the local farmers in dealing with this hugely important issue

Tauarua Farmers Group 2008 and Horizons One Plan Hearings.

June 2008.

Dear Contributor,

You have elected to support the Northern Waanganui river catchment submission speakers to the July 15th 2008 hearing of the Horizons One Plan on Land.

The submissions are in respect of the H.E.L. (highly erodible land) and the S.L.U.I. (sustainable land use initiatives) issues as they affect us. We are seeking redress of the impracticality of farming around the Plan requirements including the W.F.B.P. (whole farm business plan). With the W.F.B.P. requirement we take umbrage to the Regional Council requirement of documenting our personal and family goals, our business goals, our financial expectations and total details, our stock and farm performances and more.

We have hired Jack McConchie of Wellington who is the Principal Water Resource Scientist for Opus International Consultants Ltd. We are very fortunate to have found Jack and he will take us through the submission hearing process scheduled for Tuesday 15th July 2008 at Ohakune.

Jack will provide the scientific evidence to our submissions on the H.E.L. aspects.

Besides funding we need a gallery of supporters on that day to encourage the hearing panel to be attentive and diligent whilst the submissions and evidence are presented. This is a full day from 9.30 – 3.30 p.m. It is a most important day for us all and we implore all land owners and indeed anyone interested in the future of our rural economy to attend as a priority.

Your funding (claimable for GST) is appreciated and will be lodged in a special account to service the fee to Opus following 15th July 08. Surplus funds will be either refunded in part or reinvested for further representation to an environment court hearing if this becomes necessary.

Thank you for your support.
Kind regards

Gordon Gower
Group Chairman.

