

## **Hearing Statement - Proposed Regional Plan Change 1**

**Jon & Fiona Sherlock on behalf of the owners of Otorohaeta Ltd**

**July 1 2019**

We are Jon and Fiona Sherlock and are speaking today on behalf of Jon's siblings and their families who collectively own our family business Otorohaeta Ltd.

Thank you for taking the time to hear our statement in regard to the Waikato Regional Council's proposed Plan Change 1. We appreciate the enormous effort you are taking to give everyone concerned a fair hearing.

Our 640ha home farm is a hill country sheep and beef farm and is located in Waingaro. This property has been in the family for 3 generations. We are currently bringing up the 4th generation on the farm. In the spring of 2016, just prior to Plan change 1 being notified, we purchased another 450ha drystock farm at Matira in the Priority 1 Whangape catchment. The new farm compliments the home block and it was purchased with the aim of providing better scale for our farm business so it can remain in the family for generations to come.

We, like the vast majority of farmers we've spoken to, are absolutely prepared to play our part in improving water quality in the region. We simply believe that the Regional Council have a vital responsibility here to ensure that the rules and framework of Plan Change 1 are implemented on a fair and equitable basis. We acknowledge that rules are required to ensure compliance for laggards in the industry who are slow to change. The Regional Council need some teeth to deal with any serial polluters, farmers and otherwise, that show little or no regard for their environmental impact.

We acknowledge that you have read and heard a large number of submissions in regard to the issues that we have outlined in our submission. We are sure you have heard already about the unfairness in some of the proposed rules. Today, we are going to focus on three main issues from our submission - that is:

- Nitrogen Reference Point
- Stock Exclusion
- Sub-catchment approach

Rather than spending too much on the details of these issues we will try to focus more on some potential solutions.

- **Nitrogen Reference Point - grandfathering**

- The current proposed rule assumes all farms and soil types have the same risk of negatively impacting water quality through N leaching. This is just not the case. Some farms, due to their soil type will inherently leach more N per hectare than other farms on different soil types and geology. The proposed rules would allow relatively high N emitters on soil types that are prone to N leaching to continue to emit higher levels of N into groundwater. On the other hand, other farms that are currently low N emitters on soil types that leach less N would be limited and penalised. This is grossly unfair to the current owners of this land as the rules - even the potential of them - have significantly reduced the capital value that they have worked hard during their lifetimes to create. It is penalising low emitters and leaving that group of people, that are currently not the main problem when it comes to N levels in the waterways, carrying an unacceptably high proportion of the cost to improve water quality.
- An interim alternative to the current grandfathering rule is to set maximum levels for the Nitrogen Reference Point based on farm system type e.g. hill country sheep & beef, intensive finishing, dairy and others. This could be set based on acceptable industry standards with all high emitters in each farm type needing to reduce. This creates a fairer system that does not penalise the low emitters.
- Over time (say in the next plan change) maximum Nitrogen Reference Point levels should ultimately be based on the land use capability and soil type (i.e the soil's N leaching properties) rather than farm type. We believe this would create the fairest system with the most positive impact on improving water quality in our rivers.

- **Stock exclusion - fencing waterways on steep hill country**

- Fences on steep hill country to exclude stock from waterways are very expensive to install and maintain. You will or will have seen plenty of evidence to support this from Federated Farmers and others.
- We think the rule should be changed to exclude the requirement to fence hill country over 15°. This would be in line with the National Policy Statement For FreshWater Management. There are longer term pressures to plant significant proportions of this land class into trees. These pressures are coming from the Carbon Zero Bill and future plan changes indicated by the Waikato Regional Council to improve water quality. It would be wasted capital to enforce these stock exclusion rules on steeper hill country in the short term if in the medium term this country is put into trees. We think this capital would be better spent in other areas to improve water quality.

- We also support the provision in Plan Change One to allow some flexibility in the enforcement of the stock exclusion rule if other mitigating methods are used eg silt traps.
- **Subcatchment Management**
    - There needs to be an allowance in Plan Change 1 for a subcatchment approach. We strongly believe the Waikato Regional Council and other industry bodies should promote the use of local sub-catchment groups to effect real meaningful change to water quality.
    - How we see it working:
      - i) All individuals need to prepare a Farm Environmental Plan that adheres to the rules in Plan Change 1.
      - ii) If an individual belongs to a sub-catchment group then there needs to be flexibility to the rules if the subcatchment can show they are doing other things to improve water quality in the areas that are affected by the rule. Eg if the subcatchment puts in a large silt trap on one farm that is effective for a number of farms in the subcatchment.
      - iii) The sub-catchment group would be set up in conjunction with a representative from the Waikato Regional Council. This sub-catchment group would look at water quality issues in the area and agree on water testing both in and out of the catchment. This would give a good picture of improvements over time. The group with the Waikato Regional Councils support would identify areas where improvements need to be made and this would be submitted in the form of a "Subcatchment Environmental Plan". To run alongside the Farm Environment Plans of the individual members.
    - We believe that the buy in from most farmers in a local sub catchment setting is much higher than using rules on an individual basis. We acknowledge individual rules are required to ensure compliance for laggards but the motivation and direction we get in a sub-catchment group will be vital to achieve quicker improvements in water quality. Focusing the sub-catchment on the specific issues related to water quality in that area will result in the best bang for our buck.