

**BEFORE THE**

Waikato Regional Council

**IN THE MATTER OF**

Healthy Rivers Wai Ora Plan

Change 1 and Variation 1A

**STATEMENT OF MALCOLM AND SALLY LEE**

Date:

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## STATEMENT OF Malcolm and Sally Lee

### Scope of statement

#### 1. This statement:

- Introduces our farming business, and the ways that we farm to the natural capability of our property.
- Outlines which parts of the proposed Plan will make it difficult to continue delivering these on-farm environmental gains.
- Specifically, I will focus on:
  - i. Long-term land use
  - ii. Nitrogen Reference Points
  - iii. Stock Exclusion
  - iv. Farm Environment Plans
  - v. Contaminant Loss for Farm
  - vi. Sub catchment Management
- Provide some alternative ways to better meet the Plan's objectives
- Provide insight into what the future on our farm might be

#### 2. Introduction

We farm in an equity partnership on a 500 ha hard hill country property at the headwaters of the Whangape sub-catchment (Priority 1).

We aim to run a 50:50 sheep:cattle ratio with a 10% variation dependent on season and markets. Our stocking rate is ranges between 8 – 9 su/ha. Our system comprises of:

- A split breeding ewe flock, with 50% terminal, 50% maternal. Portion of lambs finished with rest sold store. 25% replacements reared through. Flock achieving 135%+ lambing percentage.
- Trading beef – this includes heifers, steers and bulls but fluctuates year to year due to availability, product prices and margins; and
- Up until April 2019 ran dairy grazers from weaners to in-calf R2s

We are new to farming and have been on this property for the past 11 years. We have always endeavoured to do the right thing and follow best practice.

It was both of our ambition to own and operate a farming business that allowed us to utilize our skills. We were both in our 40s when this opportunity arose. Malcolm has a practical background in shearing and engineering, whilst Sally has a Bachelor of Agricultural Science and experience in environmental management, farm consultancy and agri-business. Currently she is working as Environmental Advisor for Synlait Milk Limited.

Over the past 11 years there has been a huge amount of flexibility in our system as we developed the property, experienced a number of droughts, the global financial crisis and high and low product prices. The flexibility helped us to continue farming when factors outside our control affected our farming business.

Our philosophy on the farm is 'grass grows grass'. This leads to better covers on farm year round, stock in better condition and better efficiency in the farm system. The property was a finalist in the Waikato Ballance Farm Environment Awards (BFEA) in 2018 and 2019. In 2018 we took home 3 awards and this year 2 awards:

- Ballance Agri-nutrients Soil Management Award (2018)
- Beef + Lamb Livestock Award (2018 and 2019)
- Hill Laboratories Agri-science Award (2018)
- Waikato River Authority Award (2019)

Our property has largely been a development property and our primary focus has been on repairs and maintenance and putting infrastructure in place so that the property can be farmed successfully. Some key points about our property and the things we have done include:

- The property is in two blocks and each block is divided into 3 Land Management Units (LMUs). Each of these LMUs have a different stocking regime to depending on the topography, aspect etc. Much of our farm is class VI land, with some class IV.
- Approximately 19 ha in native bush
- 6 ha in pine plantation
- 2015 embarked on a riparian retirement programme with the Waikato Regional Council.
  - Approximately 13 km of waterways – 33% <15° slope, 43% 15-25° slope, 23% >25° slope.
  - Focus of retirement is on easy country and wetland catchments at bottom of 25° slopes.
  - Approximately 2,185 natives have been planted. Another 1200 to go in this year.
- Planting 50 poplar poles are year for shade/shelter and stabilization for 11 years with mixed survival results.
- Established a poplar nursery block in winter 2018 and expansion in 2019.
- Installed reticulation to all our better country – 42 paddocks with access to troughs and 29 with natural water. We started with no troughs
- In process of putting infrastructure in place to extend the reticulation to the steep country.

Over the years there has been very little financial fat in the system. A level of flexibility is required for the farm to survive.

### 3. Long-term land use

The plan determines the land use of our farm, and whilst we support it to some level, we feel that there needs to be an opportunity or a case that could be made better. There is clarity around grouped land class such as dairy v's sheep and beef, but there is a lack of clarity around the determination for the flexibility with regards to the area that might be cropped from year to year such as maize. We also feel that the a blanket approach to forestry is a short-sighted. Being surrounded by forestry we can see the damage that forestry can do to the environment. Not only does it create a mono-culture, put added stress on rural communities such as schools and roading, cause significant earth moving (as seen by one forestry unit beside us) and we have suffered the wash of logs into our waterway, through fences from a short slope (other forestry unit).



#### 4. Nitrogen Reference Points

Currently, like other sheep and beef operations, we are already low emitters of nitrogen. Results shown via the water monitoring within the Whangapae sub-catchment at Rangiriri/Glen Murray is already at the 80 year level. Our current Nitrogen levels range between 14 – 18 kgN/ha/year. Being capped at a Nitrogen Reference Point will limit any flexibility in our farming operation. We have been at a low stocking rate for a number of years due to climatic conditions, and with restricted NRP there would be no scope to increase stocking rate, even marginally. We feel that operations that are high emitters should be asked to drop and question whether 75% is enough. Why should we, as low emitters be left to carry the burden of those that are high? Could farming operations have license to farm under 20kgN/ha and recommend that the top dropping to 75% quartile is not enough. Consideration for an intensity rating based on su/ha or kgLW/ha.

#### 5. Stock Exclusion

The rules around stock exclusion we feel need to be referred to a National Standard, as currently there is confusion around the variations. The interpretations of determining a slope may sound easy, but in reality the slope of a hillside can vary significantly. In the headwaters often these are swampy areas, not always wet, and signals from Council show that there is limited or not funding available to support retirement of these areas. There is concern around the timeframes provided inconjunction with the resources – labour and materials, to achieve them. The cost of fencing slopes between 15° and 25° is quite cost prohibited. Mitigation options should be available in areas with greater than 15° slope. Clarification sought over the type of fencing which is allowed.



Top: Planting 2016

Side: November 2018



## 6. Farm Environment Plans

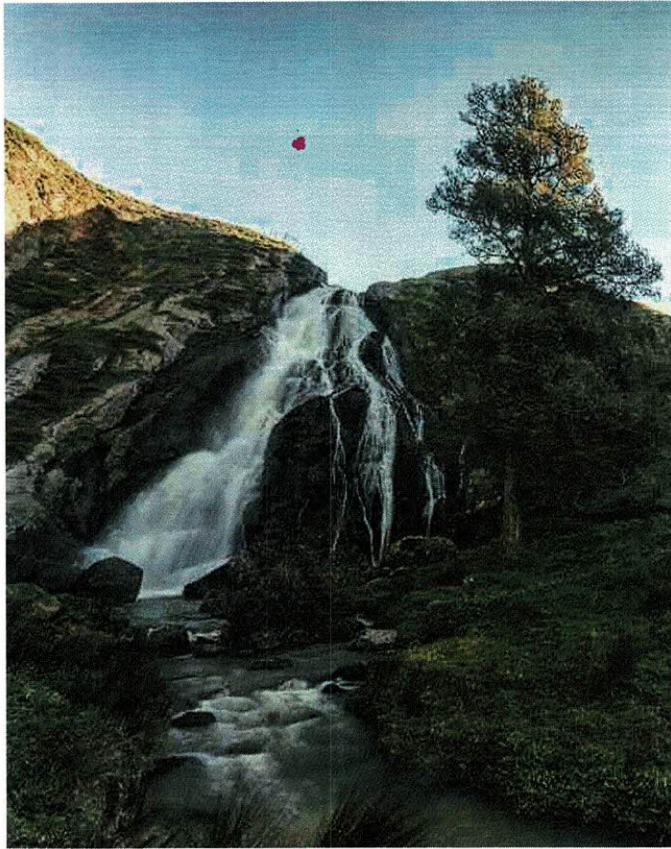
Having completed the FEP for one block using the WRC template, we feel that our hill country sheep and beef property does not fit the template well. Whilst in principal we support the concept and the need for some form of uniformity, the practical on-farm implementation of the plan may well vary between enterprises. We have concern around the binding of goals and objectives to the plan if it is bound to the title. If the farm changes hand, what part of the plan is IP to the farm.

There needs to be consideration around the ability within the plan to complete yearly especially when there are events outside control such as financial or climatic pressures, personal reasons. There is concern around the limited number of resource available to sign off these plans in the timeframe when templates have not been speedily developed and the interface with the portal is still uncertain.

Plans need to be flexible to allow for not only nationally declared events but consideration for local events. We have been subject to quite a number of weather bombs over the years which can have a signif

Clarification on how amendments to the plans will be implemented.



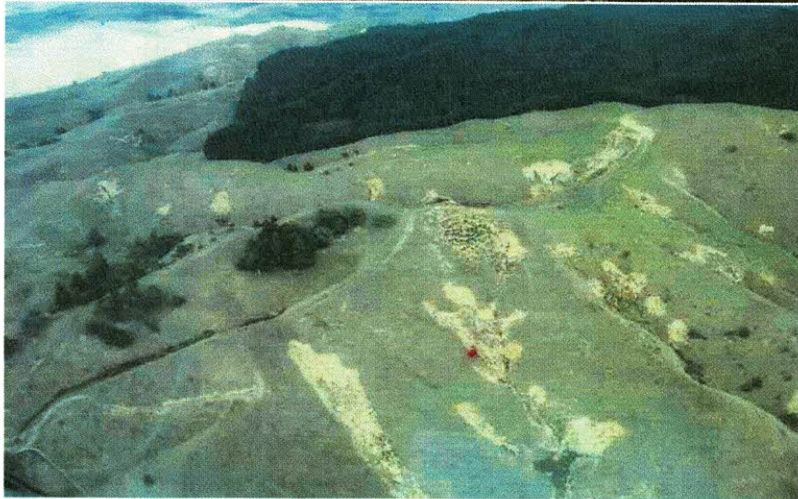


Te Herehere Falls (Mangataru Stream)

#### 7. Contaminant Loss for Farm

There is a focus on four contaminants – Nitrate, P, Sediment and E-coli. For our catchment these contaminants, our farm is already at nitrate levels (<0.007 and 0.014 v's 0.690) and E-coli (72 and 330 v's 540). Leaving P and Sediment as our main issues. We live in an area where there is high iron content in the water, soil and plants which leads to a level of turbidity that we have no control of. Below the Te Herehere Falls, the stream is affected by Koi Carp. The main difference is the lack of vegetation in stream, the level of turbidity – again this is something we have little control over. From tests at the waterfall, clarity is 0.9 m whilst the target is 1 m. This leads to clarity being sought as to when these guidelines are set for – high flow, low flow, moderate flow, time of year. We have a very strong philosophy that Best Farm Practice especially in hill country is vital as it is what you do in the hills that have an impact on the waterways. We believe that you can successfully do this and manage your risk.





Top: Feb 2006 – weather bomb

Middle: Feb 2008 – takeover

Bottom: Mar 2017

#### 8. Sub catchment Management

In relation to points raised above, it stems towards sub-catchments to determine their biggest contaminant and work together to obtain a result. For us in the upper Whangape Catchment, focusing on P and Sediment is the priority. Our Nitrogen Reference Point is 18 kgN/ha and in the big picture, we are generally farming below this limit but having the flexibility to farm under 20 kgN/ha would allow better security especially in years where weather conditions lead to the use of extra N to allow us to continue farming.

## 9. Summary

Key messages from us are:

- Needs to be a level of flexibility within the farm boundary. One size does not fit all and that as a farming enterprise we are faced with a number of challenges daily, weekly, monthly and yearly that cannot always be forecasted and controlled.
- Blanket forestry is not the answer.
- Concern over financial pressure to meet physical requirements when bottom lines are tight, where Best Farm Practice (BFP) can help improve water quality.
- Farming under 20 kgN/ha a permitted activity or licensed based on Best Farm Practice
- Question if the 75% for high emitters is enough.
- Support retirement of waterbodies below 15° slope and work towards a national standard v's regional standards.
- Clarification to determine slope of land due to the huge variation in landscape
- Concern around the auditing of FEP and NRP due to resource availability and cost. Both need a level of flexibility to allow for incidences outside farm control i.e. personal, climatic, financial/product price.
- Support the ability for sub-catchment groups to determine their main contaminant and make an action plan for this rather than being dictated higher up needing a NRP when nitrate is not an issue.
- We do acknowledge that there are 20% of farmers that don't adhere to Best Farm Practice but majority do.