

**BEFORE COMMISSIONERS APPOINTED
BY THE WAIKATO REGIONAL COUNCIL**

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of the First Schedule to the Act

AND

IN THE MATTER of Waikato Regional Plan Change 1- Waikato
and Waipā River Catchments and Variation 1
to Plan Change 1

AND

IN THE MATTER of submissions under clause 6 First Schedule

BY **BEEF + LAMB NEW ZEALAND LIMITED**
Submitter

**STATEMENT OF SAMUEL DAVID McIVOR CHIEF EXECUTIVE BEEF +
LAMB NZ
26 MARCH 2019**

FLETCHER VAUTIER MOORE
LAWYERS
PO BOX 3029
RICHMOND 7050

Telephone: (03) 543 8301
Facsimile: (03) 543 8302
Email: cthomsen@fvm.co.nz
Solicitor: CP Thomsen

BACKGROUND

1. My full name is Samuel David McIvor
2. I am the Chief Executive of Beef + Lamb New Zealand (B+LNZ). Beef + Lamb New Zealand is the organisation with the mandate to represent sheep and beef farmers. Beef + Lamb New Zealand's ongoing mandate is earned through a six yearly referendum held under the commodity levy act. The last referendum was held in 2015 with 85% support recorded across all species. B+LNZ presents a five-year strategy to farmers at each referendum and supplements this with an annual consultation programme to test strategic direction. In May 2018 farmers voted to further increase the sheep and beef meat levys. The extra funding was to be focused on four areas (1) the launch of the NZ red meat story, (2) telling the NZ farmer story domestically, (3) increasing investment in environment (4) better resourcing biosecurity programmes.
3. I have completed undergraduate and postgraduate qualifications in both agriculture and business. I have worked as a farm consultant R&D and extension manager and as a CEO in the red meat sector having held three CEO roles for a duration of 11 years. I have worked both in the commercial and industry good sector and through the whole value chain from on-farm through to retail including in the pork industry and horticulture. I have particular expertise in research, extension and farmer change. I was the instigator of B+LNZ's Farm Environment Plan and oversaw what is regarded both internationally and domestically the most effective farm extension programme the B+LNZ Monitor Farm Programme. I am a director of B+LNZ Inc (the domestic market organisation), the Red Meat Profit Partnership (a government and industry funding programme to increase the profitability of sheep and beef farmers), The Chairman of B+LNZ Future Farm (a programme to demonstrate best practice management including world leading environmental stewardship, and I am a director of the Global Roundtable for Sustainable Beef, (an international body with the goal of increasing the sustainability of beef production). I grew up on a hill country sheep and beef farm in the Manawatu of which I am now a trustee. We have completed a SLUI / Land Environment Plan on our farm. I have considered the impact the regulations proposed under this plan would have on our family farm and in doing so put myself in the shoes of local sheep and beef farmers

SCOPE OF STATEMENT

4. I am here today to talk to you about the regions Sheep and Beef farming sector, and to provide some insights into the ongoing work that B+LNZ and our farmer leaders are undertaking to ensure the sector has a vibrant and sustainable future.

STATEMENT

5. Beef + Lamb New Zealand vision (developed with farmers) is “*Profitable Farmers, Thriving Rural Communities, Valued by all New Zealanders*”. The thriving rural communities speaks of the desire from our sheep and beef farmers that all succeed within their communities, and it speaks of a belief of communities working together in a spirit of fairness and togetherness. This is not what farmers have observed and experienced in the development of PC1 or where its provisions take them. B+LNZ’s purpose is “Insights and actions driving tangible impact for farmers”. We have four outward facing priorities: Unlocking market potential, enhancing our environmental position, supporting farming excellence, and government and public insight and engagement. Our business is built around “insight”. We define insight as a deep understanding of people and issues. It is the discipline that we apply to each subject in our business and it is the approach that we have applied to the PC1 process.
6. Our strategy and actions as a business reflect a deep understanding of meat consumers (both domestic and international), wider society interests and desires globally and domestically, and our farmers. Our work both domestically and internationally shows us that consumers are changing; they are wanting more naturally produced products – grassfed is the fastest growing meat category with conscious foodies, as well as the attributes of free range, antibiotic free and hormone free which best describes New Zealand’s sheep and beef farming system. Our farmers are committed to meeting consumers and wider societies needs and this is why, in combination with meat companies, we have built the NZ red meat origin brand “Taste Pure Nature” which was last week launched in California. This brand is based on sheep and beef farming aligning with the rhythms of the nature, a light touch approach that is gentle and caring for the animals which in turn offers some of the most pure and natural tasting meat in the world. Farmers recognise a promise requires underpinning truth points and therefore the brand is underpinned by the recently introduced

NZ Farm Assurance Programme – a farm audit programme that provides evidence to reinforce the story.

7. Farming with the rhythms of nature holistically is what sheep and beef farmers do and this has been exemplified by farmers support of B+LNZ's Environment Strategy launched in March 2018. The strategies vision is "World leading stewards of the natural environment and sustainable communities. *He kaitiakitanga mo te tai ao*. The strategy outlines four inter-related goals. (1) Cleaner Water; sheep and beef farmers actively manage their properties to improve fresh water. (2) Carbon Neutral; farmers continue reducing carbon emissions, moving towards a carbon neutral sheep and beef sector by 2050. (3) Enhancing biodiversity; sheep and beef farmers provide habitats that support biodiversity and protect our native species. (4) Healthy productive soils; landuse is closely matched to soil potential. Farmers are working to improve soil health, carbon content and productivity while minimising erosion. In implementing this plan we have two key foundation activities; every farmer having a self driven farmer environment plan and scaling up individual activity through community catchment groups. To boil it down; the sector is focussed on ensuring that our natural resources are managing in an integrated, holistic, and sustainable way now and for future generations. The Waikato region has been one of the most active to take action post this strategy being released. There are many sheep and beef farmer initiated sub catchment groups either functioning or under development in the Waikato region.
8. Sheep and Beef farming systems are complex, dynamic, and diverse. It's not a paint by numbers business. There is no "typical" when it comes to sheep and beef farms. The dynamic nature of these systems is what makes these farms and the sector resilient and future proofed. Many of the decisions we make are influenced by the natural characteristics of our landscapes, its geology, soils, and climate, as well as a complex mix of social, cultural and economic factors.
9. Protecting and enhancing the environment is the only way that sheep and beef farmers can maintain a viable business that will sustain our families through the generations. Protecting and enhancing the environment is central to every on-farm decision we make, sheep and beef farmers deeply understand the old adage "*if you look after the land it will look after you*". This is typified in the changes of land use that have occurred between the subsidised land development and clearing of the 70's and 80's and today. Sheep and beef

farmers are farming approximately 2 million less hectares, they have 2.8 million hectares of woody native vegetation on their farms and 1.4 million hectares of native bush approximately 24% of NZ's much of it regenerated. While reducing land use, stock numbers and intensity, they have maintained meat production and reduced greenhouse gas emissions by 30% while doubling the value of exports. This has happened because sheep farmers have understood their resources and have innovated to sustainably utilise the resources while rebuilding native biodiversity. What sheep and beef farmers have achieved has not been repeated anywhere else in the world according to my knowledge. However, what is proposed in the plan ignores what sheep and beef farmers have achieved and seeks to constrain them from making the next leap forward.

10. Sheep and beef farmers take a long-term view when it comes to managing their businesses. Many Waikato farmers are the second, third, or fourth plus generation, and we plan to provide for many more generations to farm the land yet
11. Sheep and beef farming is intrinsically linked to the wellbeing of the Waikato Region. As set out in the evidence of Mr Burt and Mr Parkes, the New Zealand sheep and beef sector's total value of production was \$10.4 billion in 2018, with exports worth \$7.5 billion and domestic sales worth \$2.9 billion. The sector has 80,000 employees, 59,000 of those are directly employed and an additional 21,000 are indirectly employed. The sector supports 5,877 direct jobs in Waikato and contributes \$294 million to wages in the region as well as \$462 million to GDP (Statistics New Zealand, NZIER, MBIE, 2017). The sector exports over 90 percent of its production. It is New Zealand's second largest goods exporter and New Zealand's largest manufacturing industry. The health and wellbeing of the sheep and beef sector within New Zealand is important to the economy of the Country, accounting for 3.2 percent of gross domestic product. When surveyed the New Zealand public rates the sheep and beef sector as equally important as the dairy industry.
12. For the sector to be sustainable moving forward regulatory approaches need to account for the diversity of sheep and beef farms and provide them with the ability to innovate, adapt, and maintain that diversity moving forward. Management frameworks should strive to provide holistic and integrated systems which support individual and collective community leadership, and promote and incentivise the trajectory of behaviour including change where

required to deliver on environmental outcomes. There is no one size fits all solution to natural resource management across Waikato's sheep and beef farms.

13. As evidence from the 700+ submissions received on PC1 from the sheep and beef sector, our farmers have significant concerns around PC1. Farmers will express their concerns to you in their own way, and I understand that you have already heard from some of them. However, to summarise the main concerns that have been expressed to me:

- a. Plan Change 1 provides no certainty to invest in our futures or to even take the steps required in the first 10 years, as it states the 80 year outcomes are dependent on large scale afforestation;
- b. PC1 grandparents farmers to their 2014/15 or 2015/16 nutrient reference point (NRP) as modelled by OVERSEER which essentially ties in existing farming systems. This is particularly concerning for extensive farming systems which survive on farming to the grass curve and meeting the demands of changing markets;
- c. The regulatory requirements of PC1, and in particular requiring the exclusion of cattle, and deer from all permanently flowing waterbodies in the hill country through fencing, is not effects based, and is likely to make these farms unviable;
- d. PC1 does not promote integrated and holistic management of natural resources, its singular focus on a limited suite of water quality parameters is narrow and immature;
- e. PC1 does not promote management frameworks which are fair, and which are more likely to deliver on environmental outcomes, such as supporting farming to the natural capital of their land, and integrated sub catchment initiatives empowered by communities.

14. The RMA process is foreign and quite frankly daunting to many farmers.. This can mean that all the reading and writing involved in responding to a proposed Plan, can make engagement seem quite unachievable for some of those in the farming community. Many times during the B+LNZ workshops I heard farmers give eloquent explanations of why a proposal may or may not work in practice, but writing all this down through a submission process does not play to their strengths. They are doers more than talkers, and talkers more than writers.

15. For these reasons, it takes real guts for farmers to front up and provide feedback on PC1. Ultimately, it's these farmers who will be implementing large tracts of the Plan, so it's important that we really listen to what they have to say and provide them with a system that fosters innovation, adaptability, and a drive to front foot issues. The purpose of B+LNZ's support for these farmers within this planning process, was to engage them meaningfully in the 'why'. When it comes to implementing the plan, we want farmers to have a strong sense of ownership and purpose, and if they have been listened to, they will act faster and collectively to improve land and water management throughout the region.

16. The sheep and beef farmers you have already heard from, and will continue to hear over the course of the next weeks and months, have fronted up because they are genuinely concerned about our region's freshwater resources and the wellbeing of our community. They want a Plan that allows land use flexibility and innovation, but provides council with certainty that freshwater resources are being maintained or improved. Waikato Region's sheep and beef farmers are custodians of the land, and are looking for practical on the ground and win-win solutions for everyone. As you listen to them, please remember that sometimes the language they use to communicate this may sound different to the professionals, but good environmental outcomes are at the heart of everything they are saying. In a nutshell, farming is natural resource management at its purest, and sheep and beef farmers strive to care for the land and water under their stewardship.

17. As I noted at the start of my submission I have sought to put myself in the shoes of these sheep and beef submitters. On our farm we have some 140 ha of native bush, our farm has taken an proactive role to planting poplars to minimise erosion, like these farmers we seek to minimise the impact of heavy cattle on hillsides and water ways, we haven't done it with fences we've done it by common sense farming – lower cattle numbers, (1 to 3 hectares, not 3 to 1 hectare) running them on easier contour during winter months and ensuring water sources away from creeks, it works, its pretty easy to see the hoof prints to monitor impact. The proposal in PC1 would mean having to fence our 7.5 km of waterways and at the expense I've budgeted would likely make the farm financially unviable and it would still not solve the stated problem as the experts for B+LNZ have put forward in evidence– having managed science projects over the duration of my career I can see from the evidence it doesn't make

sense. To put these unfair, scientifically unsound impositions on sheep and beef farmers is unacceptable – and it is not who we are as farmers, rural communities and New Zealanders

18. Lastly I will leave you with a short video, B+LNZ Origin Brand 'Taste Pure Nature' which was launched in California last week – this is who we are and we are worthy of fair support.

Dated this 26 day of March 2019

Mr Sam McIvor