

## CSG11 Sector Feedback .

### General Drystock Sector Feedback – Economic Modelling

So We've got some concerns with this but weve also got some proposed solutions and we are keen to move forward in a positive manner.

I'm going to just lay this out how I see it and if people think otherwise or want to comment then please just jump in.

A few weeks back Trish, Phil, Gwyneth, Robyn Williamson (a Beef and Lamb Farmer Council member), and myself attended a meeting with the council team and Graeme Doole to discuss the sheep and beef data for the economic model.

This was in response to our concerns raised over the study *"Improving water quality in Waikato- Waipa Catchment – Options for Drystock and Dairy Support farms"* back at CSG in Pukekawa last year.

In short we were presented the same presentation as Pukekawa, and came to the same conclusion. That being that we need to look at financial data from a range of 10 years as opposed to just one year.

After further consideration and consultation with my sector our primary concern is with the assumptions based on the adoption of predetermined mitigations.

It is my understanding that the CSG identified quite early on in the process that there is no one size fits all approach that will work for the sheep and beef sector.

Our farming systems are diverse and that is why industry has been exploring and now implementing whole farm system planning to acknowledge these complexities.

Discussions around this study have actually been instrumental in identifying a key value and use for our sector that being the complexity and diversity of dry stock farming systems.

You might ask how this relates to the health and wellbeing of the river, well to put it plainly to get in the green environmentally we've got to stay out of the red financially.

In other words to for us be able to afford to implement environmental initiatives on farm (like you saw at Bill Garlands Property), we need to retain the control of the complexities within our farming systems as we shift our farms towards more sustainable outcomes.

The mitigation options in this study read as broad stroke policy like the planting of pines on class 7 and 8 land, and moving away from older female cattle. Both of which are legitimate mitigation options but if applied prescriptively at large scale will have negative impacts and not just for our sector.

I understand the importance of economic modelling. The approach taken in the report may be useful to inform our discussions, however potential mitigations modelled should be treated with care and in context, especially when we are considering policy options to meet limits or engaging with the public on the economic effects or affordability of those.

### **Recommendations**

1. It is recommended that further work is undertaken to benchmark the underlying sheep and beef data against actual farm data.
2. It would be preferred that the mitigations modelled (*Improving water quality in Waikato-Waipā Catchment – Options for dry stock and dairy support farms*) are not used in public consultation, if they must be used in public consultation then it must be made very clear that these are not necessarily the only mitigations, nor the most cost effective for sheep and beef farmers to adopt.
3. It would be preferable that further modelling of actual policy options being considered be undertaken prior to public consultation in each of the water management units in preference to using mitigations modelled in (*Improving water quality in Waikato-Waipā Catchment – Options for dry stock and dairy support farms*).
4. CSG recognises and adopts an additional working value that recognises the complexity and diversity of drystock farming systems.

Thank you for listening to the feedback from my sector, and I'd like to open the floor for discussion of these recommendation's.