Before Commissioners Appointed by the Waikato Regional Council

Under The Resource Management Act 1991

In the matter of: Waikato and Waipa River Catchments Proposed Plan Change1 and Variation

1 to the Waikato Regional Plan

Between David J McDonnell

And Waikato Regional Council

By David McDonnell

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Introduction

- 1. My name is David McDonnell. I am representing my farming interests based in Putaruru.
- 2. Thank you for the opportunity to listen to my oral submission.

Scope of Evidence

- 1. Nitrogen Reference Point (NRP) support with amendments.
- 2. Land use change oppose with amendments

Background

I am Managing Director of Tauranga Veterinary Services Ltd. We are a mixed animal practice employing some 11-12 veterinarians and have twenty support staff over four branches in the Western Bay of Plenty. A practising veterinarian, I have a farming background in the South Waikato and practised there for many years, gaining a post-graduate qualification in Dairy Cattle Medicine.

Since then, I have embarked on a veterinary management career after gaining a post-graduate qualification in Business Studies. I was based in Te Awamutu as a veterinary manager for a large practice before joining a pharmaceutical company in Tauranga as a business unit manager, providing technical and marketing support.

During this time, I have been involved in becoming a fourth-generation Dairy farmer and currently own this family farm that has been in our family for nearly forty years.

This property is 59 hectares 8km West of Putaruru bounded by the Little Waipa River to the east in sub catchment 44. It is classed as a Priority one. We currently milk 170 cows with moderate inputs (System 2) run under management with a contract milker.

We intend to farm this property as a dairy farm for the short to medium term whilst financially viable, but the quality of the property is such that it lends itself to intensification to alternate land use e.g. horticulture, cropping, arable.

Nitrogen Reference Point (NRP)

Plan Change 1 includes policies, rules and schedules which require farmers to provide their nutrient reference point to the council based upon 2014/15 or 2015/16 years. Those farms that are greater than the 75th percentile have to provide a Farm Environment Plan with reductions to 75th percentile by 2022. All other farmers cannot go above their NRP.

Whilst I support the establishment of an NRP for individual farms using the Overseer® tool (with its limitations as a model) and a reduction for <u>all</u> farmers in a prescribed timeframe. It is my belief the biggest gains for the environment are for the reduction in nitrogen discharges in the farms that are over the 50th percentile- especially those >75th percentile and have low Nitrogen Conversion Efficiency (NCE). These farms can make the smallest changes with the biggest impact over a short

time frame. Potentially, the financial impact will be minimal on these enterprises too. The proposed changes do not go far enough on farms that are over the 50th percentile and should be more stringent. The calculated NRP should be the mean value of the NRP for all. In time this will be a 'sinking lid' number.

The 'Grandparent' rights allow the farms with the highest NRP and/or lowest NCE an unfair advantage in terms of tools to utilise for economic benefit at the expense of the environment. 'Grandparenting' is an unfair mechanism and with statutory reporting of the farm data we should be able to target an NRP applied across an industry as a benchmark/goal.

The social licence around the heavy use of nitrogenous fertilizers, higher stocking rates, and increased imported feed leading to a greater NRP has reduced the public tolerance toward the viability of self-contained farms that have traditionally been in these local catchments. These farms have little room to move in terms of utilising these tools to enhance financial viability through some intensification. In our farm example, we have since the reference years increased our Nitrogen inputs, stocking rate and installed an in-shed feeding system to attract and retain quality staff that are well remunerated. Financially it has been 'sum zero'.

Land Use Change

Changing the use of land on a property to a more intensive activity may require a resource consent. The land use change rule applies when the new land use is more intensive than the land use on 22 October 2016, and when the net change in area exceeds 4.1ha.

The land use change rule does not take into account the financial viability or physical relief aspects of the property. I oppose this rule with amendments.

The resource consent process needs to have these two factors when considering the application. Property that has a higher Land Use Classification (LUC) has the potential to be negatively affected by these proposals. The physical topography, soils, rainfall etc should be taken into account in allowing some intensification on these property classes. For example, this property is flat, Tirau ash soils that lends itself to arable cropping and vegetable production. This area has a high LUC from soil maps produced post 1940's. I do not believe the resource consent process will be consistently applied.

This proposal does not take into consideration the promoting of use for applicable land, nor does it allow high quality land being used for its highest value. In time the demand for land to grow vegetables and crops to feed the population will need to be addressed.

A revised LUC based upon use other than just pastoral would be helpful. The Waikato Regional Council needs an inventory of the land types/classifications of capability in order to promote/support the land use change process independently.