

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER an application for a Notice of Requirement by New Zealand Transport Agency to the Palmerston North City Council, Manawatu District Council and Tararua District Council for E AHU A TŪRANGA MANAWATŪ TARARUA HIGHWAY.

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

STATEMENT OF SAM M^cIVOR CHIEF EXECUTIVE BEEF + LAMB NZ

BACKGROUND

1. My name is Sam Mclvor
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 levy's. 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.

SCOPE OF STATEMENT

4. I am here today to talk to you about the 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. And the importance of the Ballantrae Hill country Research farm to that on-going viability.

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. 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.

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. Sheep and beef farming is intrinsically linked to the wellbeing of the nation. 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 exports over 90 percent of its production, and although the overall livestock mix since the early 90's has changed through a reduction in the national sheep flock; this level of production has largely stayed the same through increased efficiency and productivity on farm, made possible through the application of sound objective data developed on sites like Ballantrae. It is New Zealand's second largest goods exporter and New Zealand's largest

manufacturing industry.

8. 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 and the dairy industry as equally important.
9. 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; land use is closely matched to soil potential. Farmers are working to improve soil health, carbon content and productivity while minimising erosion, the site at Ballantrae with its soil carbon monitoring history, contributes to this understanding as the industry embraces a carbon conscious future.
10. In implementing this strategy 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. Information to support this requires credible and factual data such as that from the long-term fertiliser trials at Ballantrae that have been in place since 1975 and is a totally unique resource for the hill country pastoral sector.
11. 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. Fertiliser on Sheep & Beef farms represents the single highest expense at 14 % of operating expenses and regarded as critical to the long term sustainability of the enterprise. Approximately 70% of our sheep and beef farms are on hill country and Ballantrae in terms of its location, landtype, contour and climate provides a representative and relevant location on which to observe farm systems and gather data. The provision of long-term sites such as Ballantrae, gives confidence to farmers & the pastoral industry that the application of fertilisers will not have any unexpected consequences and provides the basis for efficient application to their own unique properties.

12. 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 and relies on the provision of data that has been gathered over long time frames and is scientifically proven.
13. Sheep and beef farmers take a long-term view when it comes to managing their businesses. Many farmers are the second, third, or fourth plus generation, and we plan to provide for many more generations to farm the land yet.
14. Beef + Lamb New Zealand supports the position presented by the Fertiliser Association that the loss of this resource has not been effectively valued in consideration of the alternative highway.

The compromise of this site will undermine the value of a significant source of information that has supported the objective development and application of fertiliser in the New Zealand landscape and is continuing to support that along with an understanding of contaminants that may also accompany those fertilisers. There is no other comparable source for this information in the New Zealand farming landscape.

GENERAL POSITION AND RELIEF SOUGHT

- 1 Beef +Lamb NZ therefore seeks the following relief:
 - NZTA recognise the importance of the long-term phosphorus fertiliser and sheep grazing experiment to research, industry, education, farmers and the New Zealand economy
 - NZTA undertakes additional assessment of effects of the proposed highway on the above
 - NZTA amends the designation route to avoid the long-term phosphorus fertiliser and sheep grazing experiment on Ballantrae
 - NZTA amends the planned construction activities to ensure an adequate buffer around the long-term phosphorus fertiliser and sheep grazing at Ballantrae to avoid offsite effects
 - NZTA amends the conditions to provide certainty that construction effects will not impact on the long-term phosphorus fertiliser and sheep grazing experiment at Ballantrae.

Dated: 3rd April 2019

Sam McIvor