

Submission

Pricing Agricultural Emissions



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SUBMITTED TO: Ministry for the Environment
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Introduction

1. Ashburton District Council (Council) welcomes the opportunity to submit feedback on the Pricing Agricultural Emissions Proposal. The Mayor and Chief Executive have prepared this submission.
2. Located an hour's drive south of Christchurch, more than 36,300¹ residents live in our district. Approximately 50% of our residents live in the main town of Ashburton, with the rest of our residents living rurally or in smaller towns or villages across the district.
3. Ashburton District (the District) has experienced moderate and sustained population increase since the mid-1990s, increasing by 23% between 2006 and 2013 (a 3.3% increase per year). This growth, however, has now slowed, with an average growth of 1.3% per year since 2013.
4. The backbone of our economy is our agriculture industry, which when added to our manufacturing industry contributes over 30% of our local GDP (which totalled \$2,505 million in 2021). This does not include the advisory services and retail sector that is inherent in supporting the agricultural industry.

General comments

5. Our submission focuses on the impacts of the proposed Pricing of Agricultural Emissions on our local community, as others are better placed to comment than us on the technical aspects of the proposal.
6. However, we have observed with interest the collaborative approach of the He Waka Eke Noa Primary Sector Climate Action Partnership to address the challenging climate change issues for current and future generations.
7. As such, we are disappointed to hear that partner organisations of He Waka Eke Noa find the proposal unacceptable and believe that it will create inequity, severely limit farmer's ability to be recognised and rewarded for the actions they take on-farm and will have a negative impact on farmers and rural communities.

¹ Statistics New Zealand Population Estimates 30 June 2022

8. We urge the Ministry for the Environment to reconsider aspects of the proposal that have strayed from the He Waka Eke Noa proposal to Government, to ensure that an equitable and effective emission pricing system is developed.
9. We support that the Minister should set the future price on the advice of an independent oversight board appointed by all He Waka Eke Noa partners.
10. We believe the price should be based on reputable evidence from recognised scientists, with the funds going back into research and development, and incentives, to reward those that implement new environmental technology that is proven to reduce their emissions on-farm.

Impacts on our communities

11. We acknowledge the possible opportunities for diversification of the rural economy from the proposal, however, for our district we consider that the short-medium term impact on our communities could be severe and devastating.
12. The potential land-use changes as a result of the proposal could see an increase of forestation on productive land by reducing on farm productivity, particularly in the sheep and beef sector. The ripple effect of this will significantly impact agricultural service businesses including a major employer in the district, the meat processor ANZCO potentially meaning job losses and decreased economic activity in both our local rural communities and throughout our district.
13. Research recognises that the impacts of economic and social change in communities particularly impacts on the working-class, women and indigenous people². These will be our most affected community members also if this proposal proceeds in its current form.
14. We remain concerned about the effects of the complex and multi-layered reform facing the agricultural industry at present. Add to this the pressures from the 2021 Canterbury Floods and support agencies in the community are reporting people under pressure and enormous strain in our district.
15. Given the agricultural sector's recent experiences with the Freshwater Management reform and the associated delays in delivering on the timeframes expressed in this, we question if Government has the tools and resources available to deliver this proposal by 1 January 2025. To put our rural communities under pressures of such a timeline that then isn't met by Government is simply unacceptable.
16. As a District, we absolutely recognise the need for our rural economy to be adaptable and agile when facing the impacts of a changing climate and managing agricultural impacts on the environment. However, changing farming practises requires research and development, and implementation support, delivered meaningfully for our rural sector.

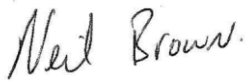
² Taylor, N. & McClintock, W. (1984) 'Major Resource Development Projects in a regional Context: A Framework for a New Zealand Analysis' *Australia and New Zealand J of Sociology* 20 (3) 377-392

17. As such, Council has lodged an application for funding with the Minister for Primary Industries for a multi-sector Resilient Business Project. If successful, the project will:
- i. Help farmers identify land uses which are financially viable and deliver to the freshwater reforms and to New Zealand's efforts to meet its greenhouse gas obligations.
 - ii. As a 'grass roots' initiative which will enable climate change adaption, farmers will work with the science and technology communities to identify viable technology, management practices and land uses that will future proof agri-businesses.

Concluding comments

18. We urge Government to return to the He Waka Eke Noa proposal as the ability of collaborative partnerships to solve complex and challenging problems surpasses anything any single group or organisation can do on its own.
19. Thank you for the opportunity to provide feedback on the Pricing Agricultural Emissions proposal.

Kā mihi



Neil Brown
Mayor



Hamish Riach
Chief Executive