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Growing for Good - Report by the Parliamentary Commissioner for the Environment

1. Purpose

To inform the Committee of *Growing for Good* the recently released report by the Parliamentary Commissioner for the Environment.

2. Background

Growing for Good was released by the Parliamentary Commissioner for the Environment in November 2004. It is a major investigation into the sustainability of intensive farming in New Zealand. It examines key trends and the local and global influences on farming, and draws on research and over 150 interviews in outlining a redesign of farming for a sustainable future.

It examines the characteristics of farming systems in New Zealand, particularly the more intensive forms of food production, such as dairying, intensive sheep and beef farming, horticulture, and viticulture. It also considers the impacts of farming on the environment with a focus on fresh water quality and quantity. The report raises concerns about many current trends and the risks to the quality of the environment and the sustainability of farming in New Zealand. It highlights a need to redesign existing systems to achieve better environmental, social and economic outcomes.

3. Findings

The report details the trends for various agricultural sectors. The Commissioner found:

• Dairy farming has become more intensive via the use of more external inputs such as nitrogen fertiliser and irrigation, and by increasing the number of stock per hectare of land. There had been a major focus on increasing milk production.

- Intensive sheep and beef farms have also used more external inputs. However there had been an emphasis on increasing the weight of animals rather than stocking rates. There had also been a focus on increasing value rather than just volume of product.
- The horticultural sectors, including viticulture, have also focused on high value production. Relative to the pastoral sectors there has been more widespread adoption of environmental management systems, quality assurance systems, and technologies such as integrated pest management to carefully manage the use of external inputs.
- A common theme across all the sectors is the increasing use of synthetic fertilisers, especially nitrogen, to boost production. Many farmers are also using irrigation to increase production.

The report also highlights the longer-term economic, social and environmental impacts that existing practices may have including:

- Increasing amounts of nutrients, in particular nitrogen, entering streams and lakes, groundwater and coastal waters. This can cause eutrophication or degradation of water quality.
- Other contaminants including faecal matter and eroded sediment from farming sources entering waterways. Some rivers are now unsuitable for swimming and some drinking supplies are at risk from faecal contamination. Sediment in the waterways can smother streambeds and affect ecosystems.
- The demand for water is increasing. Surface water and groundwater sustains complex ecosystems which can be adversely affected by the removal of water for irrigation purposes.
- Increased stocking rates can worsen these effects as more stock per hectare of land means more faecal matter and urine entering the surrounding environment.
- The potential for access to overseas markets to be lost if trade is restricted on the basis of production methods, including environmental impacts.
- The growing reliance on fossil fuel dependent fertilisers and the increasing cost of these in the future.
- Ongoing loss of 'natural capital'. Natural capital is the stocks of natural resources such as water, soil and biodiversity. It is also the services including clean air, and water, the creation and maintenance of fertile soils, pollination, liveable climates, raw materials, genetic resources for growing food and fibre and process to decompose and assimilate waste that those resources provide.

The release of the report drew a local response in the media and staff were asked to provide comment. (Refer attachment).

4. The recommendations of *Growing for Good*

Growing for Good takes the approach that the New Zealand agricultural industry needs to look at redesigning its existing systems. This could range from activities to avoid, remedy or mitigate the adverse effects of farming through to fundamentally new approaches that aim to maintain and enhance natural capital.

While remedy and mitigation approaches can alleviate some of the adverse impacts of particular farming practices, they do not tend to address the underlying factors that often drive farmers to adopt those practices in the first place. At the other end of the spectrum is 'whole system redesign' when many people and organisations work together to change the broad shapers in society. For example, many farmers and communities within a catchment can work together through integrated catchment management to improve water quality, and ensure long-term economic returns and sustainable rural towns.

Growing for Good provides general recommendations on how New Zealand can take a pro-active approach to addressing the issues identified. It also makes some specific recommendations to the Ministers for Agriculture and Forestry; Environment; and Research Science and Technology.

Growing for Good is available from the Parliamentary Commissioner for the Environment at <u>www.pce.govt.nz</u>.

5. Recommendation

That the Committee receives and notes the summary of the report.

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