

# **Land Management & Opportunities in the Lake Rotorua Catchment**

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**Taupo Beef**

# Outline

- The context in which I farm
- A brief look at the current NZ farming business model and the interface with emissions capping
- Taupo Beef and some thoughts on Rotorua's Agricultural/Food Opportunities



## Key









# The history of the N cap: a farmer's perspective

- We became aware of the issue in 2000
- Incorporated Society formed Taupo Lake Care (TLC) to represent farmer interests in negotiations with Environment Waikato
- Negotiated to balance Lake protection with economic viability
- Advocate for and participate in research
- Represented the majority of catchment farmers and Maori incorporations - 105 farms

# Nitrogen Leached

- Tussock, Native Forest - 3kgs/ha
- Plantation Forest 3kgs/ha
- Sheep Beef and Deer Farms 17kgs/ha
- Dairy Farms 45kgs+/ha
- Farming emits 93% of the manageable Nitrogen entering the Lake
- 4 Dairy farms -101 extensive sheep, beef and deer farms

# A Nitrogen Cap – The realities

- Is a cap on stock urine
- Essentially a cap on stocking rate/production
- A production cap is an income cap under existing commodity regimes
- To remove 20% of manageable N we have covenanted 35,000ha for 999 years



# Consented farmers

- Applying for a consent that limits our production in perpetuity-significant implications for farming business models and property values
- Capped at my 2004 stocking levels –my costs have increased by 48% since then



Grow the market



**TAUPŌ BEEF**  
**Grown Right Here**



# What is Taupo Beef?

- Certified by WRC under a catchment plan
- Grass fed
- No Antibiotics
- No growth hormones
- Predominantly Charolaise/Angus cross
- Aged for four weeks



# TAUPO BEEF – The Results

- Consumers have paid a significant premium
- Demand exceeds our ability to supply
- Outstanding feedback for Chefs
- Need to build a business model that returns a premium to farmers

# Community Involvement

- Lakes Water Quality Society
- Hotels and Motels
- Restaurants and Cafe`
- Retail Butchers
- Destination Great Lake Taupo
- District and Regional Councils
- Individual consumers



# Farming under a nutrient cap: The farmer's challenge

- We can farm under emissions caps
- Will livestock numbers and classes need to be capped to do so?
- Do we accept a consequent cap on income or are we willing to invest to redefine the NZ Agricultural Business model and the food value chain?

# Food and water quality: The consumer's challenge

- Do you actively seek out food that is produced in a manner that protects water quality?
- Do you know where to source such food?
- What premium are you prepared to pay for that food?
- Is this the real test of how much you value the water quality of Lake Rotorua?
- Eating is the final agricultural act!



# Thoughts...

- We cannot continue to sell cheap food and legislate for catchment nutrient caps and biodiversity protection

***How do we establish brand premiums that pay for these environmental goals and ensure farm and community profitability?***

# Thoughts...

Food production has a significant impact on Lake Rotorua. The food industry starts and finishes where?

***Is the farmer, the food retailer, the restaurant or the consumer responsible for Lake Rotorua's water quality?***



Which sections of Rotorua's community are willing take responsibility for the Lakes water quality?

