

**BEFORE THE COMMISSIONERS APPOINTED ON BEHALF OF THE  
OTAGO REGIONAL COUNCIL**

**UNDER** the Resource Management Act  
1991 (the **Act** or **RMA**)

**IN THE MATTER** of an original submission on the  
Proposed Regional Policy  
Statement for Otago 2021  
(**PRPS**)

**BETWEEN** **OTAGO WATER RESOURCE  
USER GROUP**

**Submitter OS00235 and  
FS00235**

**FEDERATED FARMERS NZ  
INC**

**Submitter OS00239 and  
FS00239**

**DAIRY NZ**

**Submitter FS00601**

**AND** **OTAGO REGIONAL COUNCIL**

**Local Authority**

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**EVIDENCE IN CHIEF OF JEFFREY IAN WINMILL**

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**EVIDENCE IN CHIEF OF JEFFREY IAN WINMILL**

1. My name is Jeffrey Ian Winmill. I am a Director of Maniototo Irrigation Company Limited and I live at 141 Henry Street, Waikouaiti, Otago. My family and I own a cattle finishing and cropping farm on the Maniototo, near Ranfurly.
2. Our farm on the Maniototo is called Rotherwood, which is on the Gimmerburn-Waipiaata Road. We purchased Rotherwood in 2018. Rotherwood was a very conservatively operated sheep and beef farm with minimum irrigation development. It was run by a farming couple towards the end of their active farming careers. We purchased the farm to facilitate their retirement.
3. Rotherwood holds shares in Maniototo West Side Irrigation Company, Waipiata Irrigation Company and the Hawkdun Irrigation Company which were all part of the purchase arrangements.
4. The purpose of my evidence is to explain the conversion of Rotherwood from effectively dryland grazing for sheep and beef through to a highly productive beef and arable grain production unit.
5. My history in farming is mainly in the poultry industry, and subsequently as a director and shareholder of New Zealand's largest egg-laying production company, Mainland Poultry Limited. Mainland Poultry Limited was sold to an Australian-based equity venture capital investor approximately 5 years ago, out of which we were able to release a large proportion of our investment. This has enabled our family to invest significantly in the development of Rotherwood. This is important to understand because the development that I will explain was facilitated by access to private off-farm capital.
6. I am also a director of Maniototo Irrigation Company Limited, which holds the shared water storage assets of the Maniototo irrigation scheme. I remain a director of Mainland Poultry Limited.

### **Climate for farming in the Maniototo.**

7. The Maniototo plain is a relatively dry inland basin, having a mean annual rainfall of around 400mm<sup>1</sup>, depending on where you are. Altitude ranges from about 400m AMSL at Waipiata to about 600m at Canadian Flat in the upper valley.
8. This combination of factors means that the natural seasonal cycle is a hot dry summer, and cold winters. Crops (including grass) don't grow in the winter months as soil temperatures are too low, and they won't grow in the second half of summer unless irrigation water is applied. You therefore can't grow crops to feed stock over the winter without irrigation in the summer.
9. The natural production cycle means that farming systems (whether sheep and beef, cropping, or dairy) are reliant on irrigation for their economic viability. Farming as we know it can't continue without secure access to irrigation water.
10. The ability to achieve a surplus to invest in things like environmental restoration, improved infrastructure, and product innovation requires secure access to water.

### **The Proposed Otago Regional Policy Statement**

11. I understand that the proposed Otago Regional Policy Statement contains a vision statement for the Taieri Catchment. I set out that vision statement below:

***LF-VM-04 – Taieri FMU vision***

*By 2050 in the Taieri FMU:*

1. *fresh water is managed in accordance with the LF-WAI objectives and policies,*

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<sup>1</sup> The ORC's website for water monitoring records a mean annual rainfall at Ranfurly of 415mm since records began in November 2000: <https://www.orc.govt.nz/managing-our-environment/water/water-monitoring-and-alerts/taieri/ranfurly>.

2. *the ongoing relationship of Kāi Tahu with wāhi tūpuna is sustained,*
  3. *healthy wetlands are restored in the upper and lower catchment wetland complexes, including the Waipori/Waihola Wetlands, Tunaheketaka/Lake Taieri, scroll plain, and tussock areas,*
  4. *the gravel bed of the lower Taieri is restored and sedimentation of the Waipori/Waihola complex is reduced,*
  5. *creative ecological approaches contribute to reduced occurrence of didymo,*
  6. *water bodies support healthy populations of galaxiid species,*
  7. *there are no direct discharges of wastewater to water bodies, and*
  8. *innovative and sustainable land and water management practices support food production in the area and improve resilience to the effects of climate change.*
12. This evidence relates specifically to the last part of that vision statement, which is to encourage innovative land and water management for food production, and to improve resilience to the effects of climate change.
13. I regard the development of Rotherwood from a flood irrigated sheep and beef farm to a highly productive farm<sup>2</sup> producing beef and high yielding cereal crops, using centre pivots with the use of VRI as a good example of what that vision contemplates. But the Commissioners need to understand that what we have been able to achieve on Rotherwood not only requires access to development capital, but also access to a reliable water supply.

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<sup>2</sup> Attached at Appendix 1 are two photos from Rotherwood showing what we have achieved.

14. Rotherwood is fortunate that it holds shares in the Maniototo West Side Irrigation Company, Waipiata Irrigation Company and the Hawkdun Irrigation Company which provides secure access to water that has enabled the development of Rotherwood through irrigation infrastructure including storage and centre pivot spray irrigators along with the use of Variable Rate Irrigation (VRI) and soil moisture monitoring.
15. I set out below the development works since purchase:
  - (a) Water storage.
  - (b) 6 centre pivots.
  - (c) Fencing (including all waterways), grain storage, stock water reticulation, pasture development and associated plant.
  - (d) Total investment to date: Approximately \$16 million.
16. The Maniototo Irrigation Scheme would not have undertaken the development of Rotherwood without the access to secure irrigation water as without this water the value of the property and assets would significantly diminish. Like any business we require a return on investment to not only cover our financial commitments but to produce a surplus for future development. Banks need assurance that the money can be repaid and in order to do this, we need confidence that we can produce high yielding crops and prime stock all of which require access to reliable water. Farm values are directly linked to the water rights of the farm. Water is effectively the bank's security that the farm will be capable of paying off debt.
17. Water is also Rotherwood's insurance against the effects of climate change, should that result in more westerly winds and less reliable rainfall. On the other hand, warmer soil temperatures might lead to longer growing seasons. But one thing is for sure, reliability of irrigation is the single most important part of our climate change resilience if we are going to keep producing food on the Maniototo.

18. Rotherwood's water comes from the Maniototo irrigation scheme. Water for that scheme comes from a combination of Taieri River water and stored water in the Loganburn reservoir. The scheme's reliability is dependent on stored water being available to release into the Taieri River above Paerau.
19. If stored water was to become less secure to scheme shareholders and their bankers such as through shorter-term permits, or requiring higher flows to be maintained in the Taieri River then investment in innovative food production on the Maniototo will be impossible. Farmers need stability and predictability to take the risk to grow food for other people to eat.
20. I understand that OWRUG is seeking policy acknowledgement in the RPS that transitioning farming systems to meet the Taieri vision (if that is required) will require time and significant investment. I agree and support that request.

**Is the Vision achievable?**

21. I have been asked by counsel to comment on whether the vision for the Taieri FMU set above is achievable. I am informed that the requirements for a "vision" set out in the National Policy Statement are these:]

*(2) Long-term visions:*

*(a) may be set at FMU, part of an FMU, or catchment level; and*

*(b) must set goals that are ambitious but reasonable (that is, difficult to achieve but not impossible); and*

*(c) identify a timeframe to achieve those goals that is both ambitious and reasonable (for example, 30 years after the commencement date).*

My underlining added.

22. The notified version had a compliance date for the Vision of 2050. I honestly have no idea whether either date is achievable. The reason for that is that there are no goals that I can understand in a physical sense. I simply do not know what the goals require farmers to do. And

so, I cannot say that the goals are achievable, or whose job it is to achieve them.

23. For all I know, we (being farmers of the Maniototo plain) through our investment in stored water and high efficiency irrigation, might have met the vision already. On the other hand, it might require reducing water use for farming, which would make innovation and climate change resilience all but impossible. I just can't tell, so I do not understand what we are being invited to sign up to. My business background has taught me never to agree to something I don't understand.

24. For that reason, it does seem necessary for there to be a framework to determine the timeframes required when the actual end point can be understood and quantified.

Date: 23 November 2022

J I Winmill

**Appendix 1 – Images of cropping operation at Rotherwood**

