

**Written Submission on Freshwater Planning Instrument Parts of
Proposed Otago Regional Policy Statement 2021**

SUBMISSION OF HAMILTON RUNS LIMITED PREPARED BY RENEE WEIR

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Tēnā koutou katoa

Nei rā te mihi maioha ki a koutou

Ko Aoraki te mauka teitei

Ko Kakaunui tōku awa

Ko Takitimu tōku waka

Ko Moeraki tōku marae

Ko Pokiri tōku tipuna

Ko Renee Weir tōku ikoa

No reira tēnā koutou, tēnā koutou, tēnā tātou katoa.

INTRODUCTION

1. My name is Renee Weir. I am an owner of Hamilton Runs Limited. I make this submission on behalf of Hamilton Runs Limited which is an intergenerational family run sheep and beef operation in the Maniototo (Upper Taieri, Taieri FMU).
2. Currently myself and my husband Gerard, Mother-in-law Tracey and Father-in-Law Stu Weir farm the property together. We hope that our children and grandchildren will be able to continue farming this land after us and will be the future Kaitiaki of this land that we are so incredibly lucky to call home.
3. We are raising our children to appreciate what it means to be guardians of the land and to have respect and connection with the environment. As the generations before us have shared this connection with the land with us, we are continuing that narration, sharing this with our children, spending every opportunity we can to educate them to live harmoniously with nature.
4. We have been farming Hamilton Runs for 26 years, but our family has been farming in the area dating back to 1848. We are active community members contributing when and where we can. We are involved in numerous community groups including the junior rugby club, athletics club, golf club, bridge club, squash club, curling club,

garden club, rodeo club, irrigation companies, Upper Taieri Catchment Group, art council, art deco society, collie club, rural fire brigade, Tiaki Maniototo, RMPP farm discussion group, Maniototo Support Network, fire brigade and as a Justice of the Peace.

5. I am the Company Support Manager of the Maniototo Irrigation Company (MIC), a new position that has been created as part of the re-structure of MIC. MIC are the consent holders of the water from the Loganburn Dam releasing water for both irrigation and hydroelectric generation to their partners Manawa Energy. MIC's structure has changed in the last 6 months in anticipation for all that is ahead for us as we move forward in this process and towards consent renewals and minimum flow conversations.
6. I am in the governance group for Tiaki Maniototo and excited by the direction and opportunities that this organisation is bringing to our community. Tiaki Maniototo is a project initiated through MFE's jobs for nature fund to carry out riparian fencing, native planting, weed and pest control, enhance native fish habitats and recreational areas and improve walking & angler access. It is also intended that a catchment-wide management plan is developed around the vision and values of the community, stakeholder groups and the regional council. \$4.5M in funding has been received, with a further \$1.5M commitment from the community and wider stakeholder groups such as Otago Regional Council, Fish and Game Otago, Department of Conservation and The New Zealand Walking Access Commission as well as a considerable contribution of in-kind from local volunteers and community users paying a share towards many of the initiatives they are benefiting from. The vision is to create environmental outcomes that go above and beyond what any policy framework can do for the betterment of future generations in our community. We don't see this as time bound to the funding of 5 years but will be looking at ways to make this project continue for generations to come.
7. I have also just been appointed to the OWRUG board, I am yet to attend my first meeting.

OUR FARM OPERATION

8. Hamilton Runs Limited owns a 5,000 ha property within the Taieri FMU. We operate it as a Sheep and Beef operation running up to 600 cattle and 9500 sheep. The property supports 3 generations of our family, and we engage multiple contractors and have two workers in full time employment.
9. The majority of the property is dryland with 380ha of the property being irrigated. Water for this irrigation is sourced from the Pigburn, Capburn and Maniototo East Side Irrigation Company. We use water for irrigation, stock and domestic drinking water. The irrigation is used to produce winter crops, supplementary feed and gives us the ability to finish stock. The reality is that without the irrigated land on the property we would be unable to sustain the 3 generations, workers and contractors currently supported by the property.
10. We have a mixture of pivot, k-line and flood irrigation currently (we are working towards replacing the later). We have also established 4 dams as part of our farm development plans to date. This infrastructure has been developed over a number of years.

SPECIFICS OF FARMING IN OUR AREA

11. The climate can be challenging, experiencing drought conditions in the summer and snow and hard frosts in the winter and strong winds all year round. The temperature ranges from – 10 to 35+ degrees.
12. It can take generations of experience to learn how to best manage the country that we farm and the temperamental nature of this land. Small family run farms are slowly being sold to large corporate farming operations. This in turn often means that the profit is more important than the land they are so lucky to be occupying. The more push from regulators that are inducing more costs on an already stressed sector, the more land that will be lost from experienced and gentle farming hands. As generational farmers in the area we have learnt and received and hope to pass on the lessons that we have learnt.
13. Stocking rates are managed carefully, and plans are in place for when trigger points are reached within a season and decisions need to be made. This is especially important during droughts. The wellbeing of the stock and the ability for the pastures to recover are all considered before the profit. The stock type and placement on the

property is all carefully selected to manage the best management on the property and for the climate.

IMPACTS OF MINIMUM FLOW INCREASES WITHIN THE POLICY STATEMENT

14. We are genuinely concerned about the potential implications of increases to minimum flow for the viability of farmers in Otago.

Having only recently completed our irrigation upgrades and purchased a new property (that we had been leasing for the last 10 years) our lending rates remain high. Therefore, any reduction in the value of our land from a reduction in water availability has the ability to reduce our borrowing capacity for further irrigation efficiency improvements. I am aware this is an issue of concern to banks and financiers. Irrigated land in our area currently sells for between \$15,000-20,000/Ha compared to dryland at about \$2,000/ha. The potential for our farmers in the Maniototo (who have already heavily invested) in drought protection storage from the Loganburn Reservoir being asked to uphold and support artificially high minimum flow rates is a scary thought and one we do not and will not support!

15. It is an unusually challenging time to be a farmer. There is so much regulatory change coming at us that we need to respond to, but also much that is still to be resolved that will require further changes and adaptations. All is coming with added costs to the farmers, and at a time when interest rates are climbing, and farm expenses are at record highs.

16. An example of the spending that we have carried out already on our property to help reduce the environmental effects from water use and take are as follows: In 2015 we constructed a dam (middle dam) which holds 25,000 cubic litres of storage water. This dam is stage 1 in our plan of developing a larger dam below this point enabling storage of 300 – 400,0000 cubic litres of water. In 2015 we also installed a 350m pivot with associated mainlines, Genset and VRI. This cost is over \$265,000 plus labour costs.

17. In 2016/17 we replaced a 6km pipeline carrying irrigation water from the Capburn to address the poor state of that conveyance infrastructure. This required materials, helicopter cartage to site, labour, fuel, technical advice and consent fees etc. We have purchased our own bulldozer and digger so that we can construct our own storage following advice from Geologists and Hydrologists as to Dam position and scale.

18. We purchased a 1/3 share with other likeminded farmers in a 'rut buster' to address the issues created by pivot ruts and have completed refencing within our pivot areas to give us greater control and certainty of paddock sizes and the ability to rest the land during our stock rotation. The costs of this phase of work were approximately \$600,000 plus labour.
19. In 2018/19 we installed a second pivot, mainline, electrics, pumps etc. Installation costs included power connections, underground pipework, troughs, fencing etc totalling approximately \$485,000 plus labour.
20. When we factor labour costs into this, we estimate these works have costs a total of \$1.8 Million. We have largely funded this through borrowing and as such are reliant on our ability to generate a good return to pay that borrowing down and secure a sustainable future for our family.
21. Whilst some might say we left our run on these upgrades too late it was because we were not able to carry out the upgrades due to financial and human resource constraints until this time. We have carried them out completely in good faith and we genuinely thought we were doing the right thing.
22. In 2021 we went to a hearing to renew the deemed permit that we held for the Pigburn. We were granted this consent along with the other water users of the Pigburn Group for a 13-year period. During this process our water allocation was reduced significantly, minimum flow requirements were increased, we are required to convert all remaining flood irrigation to spray, do an annual efficiency report and install a fish screen at our point of take. All of this will come with further infrastructure development costs. The way that costs are at an all-time high at the moment this will have a significant impact on our business, and there is a risk that we could not meet our target dates. When considering policy changes regulators and agencies submitting that financially will not be affected by changes need to consider those that will be.

We have worked on developing more efficient water use over many years. It has not been easy, and we have progressed as finances and labour resources have allowed. We have further water storage and water efficiency infrastructure plans that we would like to be able to complete as we are financially able to, we feel that this is what will really make the most difference to our farm and the environment that we are so lucky to call home.

THE COMMUNITY OF IRRIGATORS

23. Our community is working collaboratively to better the outcomes for the health of our waterways in the Upper Taieri. The establishment of Tiaki Maniototo is helping to eject some incentives for farmers to act on their properties. Interestingly, the fencing funding has not been taken up as rapidly as we expected and on review this is for two reasons, one is the wetland delineation process that ORC has been carrying out and this leading to uncertainty of fence placement and secondly the majority of farmers have already self-funded these fences years ago, demonstrating the proactive approach of farmers in our catchment.
24. The Maniototo Irrigation Company (MIC) which consists of three branches (shareholders) of irrigation distribution companies (Maniototo East Side, Maniototo West Side and Waipiata Irrigation Companies) is in a change management process. The company is now employing three staff members to take over the unbalanced and unsustainable workload from past voluntary board members. The decision to put this structure in place was a necessity to keep up and be part of the ever-changing regulatory demands that they anticipate are coming as well as to develop a function that can be more proactive rather than reactive.
25. MIC are building irrigation company networks with already established management companies from the Canterbury region. They have shared their insights as to how they navigate the ECAN processes and the considerable time and labour units that this has added. One company not much bigger than MIC now employees 13 staff members to ensure that they are meeting the requirements set out by ECAN. This coming at a considerable cost to those that irrigate on that scheme. This is something that I hope ORC are considering as they further develop this plan.
26. Within the Upper Taieri we have a network of irrigators that are on private rights. We have been approached by one of these groups that would like to join MIC as they are finding the regulatory and consenting processes hard to navigate. The Pigburn and Sowburn users have successfully renewed their consents, however both have spent considerable time and money with consultants and lawyers to achieve this. MIC have close connections with these groups and work with the Taieri Main Stem users to ensure we meet and/or exceed the minimum flow consent at Waipiata.
27. We work with irrigators to collect water quality data on some tributaries and are in the process of finetuning this programme.

28. MIC is working to establish greater relationships with ORC, F&G, DoC, Tiaki Maniototo Staff, Manawa Energy and other water users in the area so that we can help build the networks needed to navigate the next part of the consent renewal processes and effectively manage the changes that might come from the Regional Plan collaboratively.
29. We would like greatly to engage more closely with mana whenua in the coming months as we recognise and value their contribution to these conversations.

In conclusion, many farming operations are already well in the process of making and investing in the necessary steps towards water efficiency on farm. The added cost of potential losses to accessible water won't just affect the farmers but will affect the whole community in Otago. The loss in production will flow on to affect many local industries: shearing, meat processing, supermarket chains, tanneries, construction, contractors etc. but it will also flow on much further afield with less profit making it out of businesses to be spent at the local establishments, cafes, gift shops, restaurants etc. I would suspect unemployment rates will climb and people will be struggling further to make ends meet, potentially leading to more crime through desperation. The future of our region is a multifaceted one and all considerations need to be heard.

Guidance rather than hard rules is effective as it enables farmers to prioritise what will be the most beneficial for the health of the waterways on their property whilst still being viable to operate. I ask that consideration is given to the whole prosperity of Otago when making any decisions.

Renee Weir

Hamilton Runs Limited

28.11.2022