

**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

SUMMARY OF EVIDENCE OF MIRANDA HUNTER

DATED 27 APRIL 2023



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Summary of evidence

1. My name is Miranda Hunter, I hold a Bachelor of Agricultural Science Degree. I am a Director and Shareholder of South Coast Dairies Limited which has a shareholding in a 135 ha dairy platform in Southland. I refer you to my full expertise and experience outlined in my evidence.¹
2. My evidence addresses the complexity of farm systems and transitioning between systems.

Farm systems

3. Farm systems are both biological and business. There are many factors outside a farmer's direct control.² In simple terms a farmer has a bundle of resources, takes inputs and makes management decisions to produce a product. But it is not that simple.³

Challenges and adaptation

4. Farmers have always adapted farm systems in response to market prices and climatic conditions. Poor decision-making places the farming business at risk. They are also being required to adapt because of other forces, such as regulatory change.⁴ The challenges are different in that they are often 'new' or unanticipated and give farmers less time to plan and adapt.⁵
5. These changes have accelerated in recent years.⁶

Implications of business failure⁷

6. When regulation change requires farm system change and investment in infrastructure (upgraded or new) and implemented, farmers are expected to absorb the costs.

¹ At [1]-[7].

² At [10].

³ At [11].

⁴ At [12].

⁵ At [16].

⁶ At [17].

⁷ At [14].

7. The failure of a farm means losing both business and the home. In many rural communities the failure of one farm can have a ripple effect through those communities and the regional economy.

Implementation of changes⁸

8. The number of factors means that change requires a longer time frame. There are also risks associated with implementing changes.⁹
9. Farmers have been implementing changes to improve practises and mitigate their impact on the environment. There needs to be direction and certainty that these changes are going to be recognised.
10. Significant risk is taken on when implementing changes and these can have widespread effects, such as increased debt levels, low annual return on capital, and farm business and family home being at risk.

What we are asking for

11. An understanding that farming business, family home and community are all interlinked. Therefore, the consequences of failure are significant for this sector.¹⁰
12. Policy and regulation need to take into account the complexity of the farm system.¹¹
13. Due to this complexity, and the number of factors involved farmers need time to transition when significant change is required. The period of time required cannot be determined until the extent of the change is known.
14. **I would be happy to take any of the Panel's questions.**

Dated 27 April 2023

Miranda Hunter

⁸ At [23]-[32].

⁹ At [33].

¹⁰ At [34].

¹¹ At [35].