

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

Under The Resource Management Act 1991
(**Act/RMA**)

In the Matter of a submissions on the Proposed
Otago Regional Policy Statement
2021 (non-freshwater parts) (**PRPS**)

On behalf of **OTAGO WATER RESOURCE USER
GROUP (OWRUG)**

Submitter OS00235 and FS00235

**FEDERATED FARMERS OF NEW
ZEALAND**

Submitter OS00239 and FS00239

DAIRYNZ LIMITED

Submitter FS00601

SPEAKING NOTES OF LUKE MURRAY KANE

DATED 28 APRIL 2023



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Our farm and community values

1. My name is Luke Murray Kane. I am a fourth-generation farmer from Waikoikoi. Our family farming operation is approximately 980 hectares comprising dairy, beef finishing, and a beef stud farm.
2. My wife, Nicole and I, run the dairy component which has 660 milking cows and another 300 that we bring in for winter. My parents, Robert and Mary-Anne Kane, and brother Peter Kane manage the beef and stud cattle operation which comprises of 150 breeding Herefords and Angus cows, 150 beef-finishing cattle and 650 calves (of which 150 are wagyu).
3. My evidence covers:
 - a. The highly technical and precise nature of dairy farming in Otago;
 - b. Decision making on farm within the highly regulated environment;
 - c. Options when change is required.

Highly technical and precise nature of dairy farming

4. My evidence covers the complexity of our farming system and identifies all the monitoring and compliance requirements that we undertake on a daily, weekly, monthly or annual basis to ensure production, animal welfare, industry and environmental targets are met. The reason for this level of precision is because output on dairy farms operate with small margins, with no two seasons the same. It is a forever juggling act depending on weather, pay out and cost structure.
5. On a daily basis, we monitor all cows on farm for eating and resting patterns, we herd test through Protrack for various milk traits (volume, fat and protein etc) and we log and record all washing procedures, use of sprays and medication. We also utilise Cow manager (a RFID monitoring system) that tracks and records the performance of each cow. We also monitor and record all effluent applications through Farm IQ.

6. On approximately a weekly basis, we update our grazing plan in FarmIQ with data from Minda which identifies where the stock will graze, the budgeting of feed over that time and any fertiliser requirements. We also perform pest management, including rabbit culls.
7. On approximately a monthly basis, we perform compliance checks for infrastructure and health and safety. We also prepare reports on milk production including quality (scc, protein to fat ratio etc), cooling, and compliance.
8. We are also obliged to undertake three annual audits each year, one by Open Country Dairy that has animal welfare and environmental compliance requirements, the second by the Regional Council in relation to effluent and supplement feed storage, and the third by the meat production company South Pacific Meats that requires animal welfare standards to be met. TB testing is a Biannual event.
9. It is a condition of our water consents that bi-annual water monitoring is performed by the Otago Regional Council, and we have installed 3 data loggers to collect information and send it to the Council daily. All other water systems are remotely monitored regarding storage.
10. The regulatory framework that applies to our farm has increased in complexity in recent years. By way of example, we now have an intensive winter grazing consent.
11. When an operation requires such a high level of compliance, it is difficult to change one aspect without having an impact on another part of the business.

Decision making on farm within a highly regulated environment

12. Whilst there are some circumstances where the 'best practice' is very clear cut, in many circumstances it is far more nuanced, with competing challenges needing to be balanced and/or risks managed.
13. We have been able to make the following decisions that had a benefit to our production and/or our environmental goals:

- a. A decision not to heavily graze the river flats in winter to promote top soil sustainability.
 - b. Utilisation of short break fences that promotes greater uptake of the crop and allows for re-sowing of the paddock in September.
 - c. Management of the riparian margin of the Pomahaka river.
 - d. Riparian fencing with the assistance of the Pomahaka Catchment Group;
 - e. Planting of tree lanes across 90% of the dairy platform paddocks;
 - f. Identifying areas on farm that have biodiversity and conservation values and allowing those areas to regenerate into native bush;
 - g. Providing for a 30-metre section set back from the Pomahaka river and providing access to anglers, including managing and mowing the set back.
14. There are also some decisions that were outside of our reach, including conversion of more of the farm into dairy and installing a wintering shed.
15. We have been able to achieve better outcomes by making decisions that reflect our specific farming system and family needs. This has been possible because the framework has allowed us to focus on effects of our activities on the environment, as opposed to compliance with bottom lines. An example of regulation that does not achieve a net environmental benefit is where we have been obliged to install a riparian set back which has resulted in proliferation of pests, including crack willow.

Options when change is required

16. A good example of success when change was required is the Pomahaka Water Care Group. I have been on its board for the last two years. The Group was set up in 2014 after the Council shared

concerning data about the water quality in the catchment. This triggered local farmer concern.

17. The work of the Group involves riparian planting, fencing and sharing on-farm best practice techniques to avoid and mitigate adverse effects on catchment water quality.

18. Most sites across the catchment are now demonstrating an improving trend in water quality. There are still some sites that we are focussing on – but the general trend is improvement. The long-term vision of the group is to have the highest water quality possible so that future generations can enjoy the river.

Complexity of change

19. Each decision is not made in a silo. A decision by the Regional Council without adequate consideration as to how it relates to on the ground farming operations, will not be the best decision.

20. We are always keen to improve our operations but there are a lot of things to consider at any one time. We must be able to maintain profitability to be able to roll out new advancements because they all come at a cost (albeit to get a gain, in most cases anyway).

21. I would be happy to answer any of the panel's questions and also host the panel for a site visit on farm.

Luke Murray Kane