

Tabled at Hearing on 19 November 2015.

## **Hearing Statement of Colin Hurst on behalf of the South Canterbury Federated Farmers**

### **Hearing of Submissions on Plan Change 3 to the Canterbury Land and Water Regional Plan**

1. My full name is Colin Thomas Hurst.
2. I am chairman of the Nitrogen Allocation Reference Group.
3. I am also on the steering groups of various catchment Groups including the Waihao Wainono Water Users Group and the Hook Catchment Group, and I chaired the initial meeting of the Otaio Makikihi Catchment Group.
4. I am also the Chairman of Waimate Federated Farmers and vice chairman of The Arable Industry Group of Federated Farmers of New Zealand.
5. I married Janis in 1988, we have three children Nick, who has just finished his electrical apprenticeship, Matt who is in his second year of bachelor of surveying at Otago University, and Kate who is in her last year at high school.
6. I am a member of a Family Farming Partnership, made up of my parents Tom and Ailsa Hurst, my wife Janis Hurst and myself.
7. My parents started farming in 1963 by purchasing 186ha (which they still own). My parents' philosophy was to grow and adapt the farm looking for opportunities to expand the business.
8. In 1969 they purchased a neighbouring property of 113ha (which is currently owned by a family land owning company).
9. I was born and raised on the Farm and boarded in Timaru to attend high school. I obtained an engineering apprenticeship and worked for four years in Timaru.
10. In 1986 I came back to the family farm and in partnership with my parents we purchased a neighbouring property of 212ha (currently owned Janis and myself)
11. Through the late-1980s interest rates were up near 20%, Farming was a real struggle and we were really concerned about the future viability of our farm, but we stuck at it.

12. In 1999 we purchased 109ha south of our home farm in trust for our children and in 2004 we purchased an adjoining 43ha.
13. So in total Hurst Family farms 684 ha, 152ha south of Makikihi and the home farm block of 532ha (Farm A in expert evidence provided by Dr Samuel Dennis on behalf of Beef and Lamb).
14. The Hurst Family Partnership is diverse farming operation as presented to the hearing panel earlier by my father Tom Hurst.
15. Through the mid-2000s we were seeking to grow our business, so we began looking to investigate irrigation opportunities, as the seed companies we were dealing with regarded contract seed growers more favourably if there was irrigation on the farm
16. In 2005 we applied for a deep ground water consent, this was granted in 2007.
17. Over the next couple of years we drilled and developed the wells, obtaining good reliable deep ground water.
18. In 2011 we installed irrigation infrastructure, with a total cost of \$475,000 on the lower Makikihi block and total cost \$301,000 on the home farm.
19. The funding was mostly done out of earnings as we could afford it. We were reluctant to borrow after the experience of the late-1980s.
20. Our plan was to stage irrigation expansion over a number of years as finance allowed.
21. At present we are in a difficult position because we began irrigation development (with consequent increases in estimated N leaching losses) half way through the N baseline period. The ongoing Irrigation development on the home farm is currently stalled mostly due to the uncertainty created by the Land and Water Regional Plan and Proposed Plan Change 3.
22. Estimated N leaching losses are shown in the following table:

Home Farm Total farm N leaching losses over time:

	2009/10	2010/11	2011/12	2012/13	2013/14
Kg N/ha/yr	7	7	18	18	15

The increased loss in 2011/12 is due to installation of irrigation. The reduction in 2013/14 is due primarily to a different balance of crops in that year.

23. The baseline average modelled nutrient leaching loss (2009/10 – 2012/13) is 12.5 kg N/ha/yr. At current management (2012/14) the farm is already in excess of the baseline, simply because the period over which the baseline is calculated includes years before and after irrigation was installed.
24. There is inequity in the application of the baseline provisions under the LWRP. While we are caught by the baseline provisions, allowance is made for dairy development consented during the baseline period.
25. Hurst Partnership Ltd, is the farming entity and it leases land off the different owners Janis and myself, Tom and Alisa Hurst, Family Trust and a land owning company. This is a complicated structure, but it has and will enable an inter-generational transfer of assets.
26. Because our family farming enterprise has different legal entities owning the different blocks of land, we will probably be classified as a nutrient user group and therefore require a consent.
27. My request is that established farming operations, where there is some commonality in ownership, is just treated as a single farm.
28. My other request is that farms that have a current irrigation consent and has incurred capital expenditure through the baseline period, is recognised and provisions are made similar to how dairy development consented during the baseline period is treated as in LWRP.
29. I am happy to answer any questions from the Hearing Panel.

# Hurst Family Farms

