BEFORE INDEPENDENT HEARING COMMISSIONERS APPOINTED BY THE CANTERBURY REGIONAL COUNCIL

UNDER: The Resource Management Act 1991

IN THE MATTER OF: Proposed plan Change 7 to the Canterbury Land and Water Regional Plan-Section 14:Orari-Temuka-Opihi-Pareora.

HEARING STATEMENT OF WAYNE KELLIHER OF SEAFORTH FARM.

DATED: 19 October 2020

MAY IT PLEASE THE HEARING COMMISSIONERS

1. Background/ Introduction

My name is Wayne Kelliher.

I am married to Kay and we have 3 sons and 1 daughter.

I run and own Seaforth Farm with my brother Scott Kelliher.

Seaforth Farm is a 77 year old family owned cropping farm, supporting the livelihoods of 3 owner and/ or operator families.

These families consist now of our remaining retired parent, Scott and myself and our wives. Between us we have 6 children.

Along with our children still at home, we are financially supporting our daughter at Otago University studying to become a Social Worker.

We also employ a staff of 2 full time staff and often also need casual help over the harvest time. Seaforth Farm also leases land for cropping. This helps support the incomes of two other families.

Over the 77 years as now third generation farmers the farm has slowly built up to 800 Ha to enable the opportunity for next generation the option of farming as a career path in our succession planning. Irrigation covers 400 Ha of shallow ground water on the home block and 400 Ha under Opuha Water.

We were one of the first to use irrigation in the Seadown district.

I am an active member of the “Seadown Water Enhancement Group”, previously termed the Seadown irrigation users group. This group is formed with 10 local farming families

The outcome from the Plan change I would like to support is the inclusion of the ability to augment the Seadown Drain. This enables us to continue to

irrigate and maintain production while at the same time maintaining the flow in the drain.

Over the last ten years we have been looking for solutions including contracting the Ryder report.

2. Financial implications

There are no other irrigation options for us. We have recently drilled 220 M for a deep well at the cost of $1000 a metre, unsuccessfully. 4 others have been dug locally that also have had no successful outcome at these depths.

Financial impact of the annual losses due to not having water when it is required will be on all of the above families. In the previous few years we have purchased 100 Ha plus leasing another 300 Ha fully irrigated. Budget for this development were made under the previous rules. This development has included major capital expenditure and increased staffing.

The land has been bought with a supportive bank per Ha on a value of having irrigation. To have the land shift to semi dryland price on the market reduces it from about $38,000 to $40,000 Ha to approx $25,000 to $30,000. We cannot make enough income with semi dryland farming systems to service interest on land borrowed at an irrigated rate. The land was worth these values due to the water consents that it has. We need top yields or we can’t service the debt due to low equity levels.

Timing of the restrictions on water has more impact on our farm than the restrictions themselves.

In late October to mid-January being without water, means harm to the crops at a crucial time. The whole year's production can dramatically drop causing you to be running at a loss. 12 months of work can be at risk from the water not being applied at the time needed.

Crops are set up for top yields regardless of outcome (weather, disease or impacts out of our control). Once yield is lost in a crop, you can't get it

back. It will not recover as grass would. Grazing stock can be given supplementary feed for the shortfall but once rain enables paddocks to recover they can be used. This is not the case for crops.

Being an arable farm we tend not to use our full allocation of water.

We are fortunate to be able to make use of local agricultural contractors and businesses in the Timaru area. Without the ability to augment the drain, without water, the effects will drive the local economy down that we contribute towards.

Costs of production under irrigation have arable farming sitting on 65 to 70 % of the total income. This year for us was 68%

Then we have interest to pay on top of that and a small amount of principal before we see any profit as a business. After that we pay ourselves. The margins are tight. Would you be prepared to work 2 out of 5 years for nothing? In this case scenario it could be 5/5.

If our yields drop ⅓ as would be reasonably expected from a loss of irrigation our ability to gain the yields we need vanishes making the business not viable in any way. Having the ability to augment the drain keeps production going at the crucial time needed as well as protecting the ecology of the drain long term.

When our business can't make money from the land and we also have drastically reduced equity in the land the bank will call the shots to sell pretty promptly leaving our families and those that we employ and rely on us high and dry.

3. History and features of the Drain

We have observed the Seadown drain and when restrictions are on there is no measurable change. Evidence of this has not been able to be provided, as the requirement to do so for this was, unfortunately, missed in the multitude of Covid19 emails we received during this time with the essential work we were doing at this time. We are a family farming business without the luxury of full time admin staff.

Having lived in this location over my whole life, whether we are irrigating or not the drain is not altering enough to be measured. All our water is taken at the 8 to 10 m mark with multiple clay layers from the surface whereas the drain is only 1.5 M deep.

The biggest impact on the drain is the water that Opuha water put in and without that we would be on restrictions a lot more often.

It appears to us that the aquifers we are pumping out of are below the Seadown drain bottom. Very few if any of us directly pump out of the drain. There is no one beyond us to use the water and after us it goes out to sea. Those 2 km above us seem to be able to use the same aquifers but not have any restrictions placed on them.

4. Conclusions

Augmentation of the drain allows the habitat of the eels and other ecological microsystems in the drain to coexist in harmony alongside us.

As a family we recently planted out 520 native plants over our farm at our own cost. We are committed to sustainable arable farming practices, in particular embracing technological advances such as moisture probe testing and variable rate spreading via GPS mapping to reduce our environmental impact however this cannot be achieved without reliable irrigation.

The health of the farm is now better than 30 years ago, with improvements being made all the time

We are seeking in the plan change the ability to Augment the Seadown drain.