DAIRY CREEK LIMITED PARTNERSHIP

Action for Healthy Waterways Submission

To: Freshwater Submissions
From: Dairy Creek Limited Partnership (DCLP)
Date: 31 October 2019
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Introduction
The Dairy Creek Limited Partnership is a 50/50 Joint Venture Partnership between the Dairy Creek Irrigation Company and Pioneer Energy Ltd. Pioneer Energy is the principal funding partner.

To date, close to $9 million has been invested into the construction of the Dairy Creek Irrigation Scheme near Alexandra. The scheme had been in the planning stage for a number of years with various parties, but following the joint venture agreement being reached, the scheme had the financial backing and support to progress. The scheme was commissioned in December 2017.

The Dairy Creek Irrigation Company has a water right to take 1,907 litres from Lake Dunstan for the purpose of irrigating and frost fighting in the Waikerikeri Valley and Golden Road area above Springvale, near Clyde. Taking into consideration this allocation, the scheme has been built to deliver pressurised water to approximately 1,500 hectares of land, primarily as an irrigation source for horticultural and agricultural users. Dairy Creek water users have invested significant capital into their land, turning what was once dry, seemingly unfarmable land, into green pastures and soil that can now be toiled ready for seeding and growth. The transformation of this land has added significant economic value to the area with the outcome, in time, being high producing irrigated horticulture and agriculture operations.

DCLP supports the main objective of the Essential Freshwater Package to improve the water quality of our streams, rivers and lakes, and to stop further degradation of our freshwater resources. However, we believe that more care is required in understanding the significant economic and social impact that these proposals will have on farmers, growers, industry and community in meeting the proposed objectives, along with the practicality of implementing these proposals, within the specified timeframes.

Discussion
By mid-2020, the government is planning to have a new National Environmental Standard for Freshwater Management and National Policy changes adopted. This may include national direction for reviewing consents, how minimum flows apply to existing consent and seeing Farm Environment Plans become a requirement.

No one can argue with the intent of the Essential Freshwater Package, nor negate the importance of prioritising our greatest natural resource, however the scope and likely implications of the proposals are an area for great concern.

The speed in which the government want to implement these changes, and although in agreement that changes are required, setting rules that prescribe management practices across New Zealand in the hope they will have a positive effect on waterway health, regardless of the issues or risks in each catchment, is flawed. It is not a one size fits all solution and
emphasis must be placed on this. In effect, the government will be putting all operations – the good and not so good – into the same basket and thus putting the good at a disadvantage. Regional council should be engaging with their specific areas and forming solutions relevant to the needs of that community and acknowledging the good on farm management practices already in place.

Furthermore, the lack of financial impact analysis presented in the proposals and the timeframes suggested for action is concerning. Significant changes to existing agriculture and horticulture systems will take time and money. The proposals suggest that our water users face significant cost, stress and possibly criticism from the wider public, yet all are working within their appropriate consents. The expectation is unfair, and the repercussions unfairer still.

In response to the proposed restrictions place on intensification, DCLP has been issued with all relevant consents through both the Central Otago District Council and Otago Regional Council, and firmly believe that all existing consents should be upheld and activities within these consents permitted.

Overall, DCLP would like to submit that:

- Further analysis of the financial impact on horticulture and agriculture, rural communities and the economy of the proposals within the Essential Freshwater document, are carried out and presented prior to anything being formally adopted.
- All existing consents should be upheld and activities within these consents permitted, to protect on and off-farm investments under these consents.
- Government must offer landowners the opportunity to tailor a package of freshwater strategies relevant to their own catchment groups.
- Government encourage a partnership approach where landowners adopt an agreed strategy to improve waterways. This could be achieved through funding assistance for co-ordinators to establish catchment groups, access to funding for community action on, for example, riparian planting.

Summary
DCLP and our stakeholders fully support that steps must be taken to improve the water quality of our streams, rivers and lakes, and to stop further degradation of our freshwater resources. However, DCLP believe that many of the changes proposed will have perverse effects on our primary sector and the wider economy. The proposals would limit farmer’s flexibility to adjust to market conditions and change their land use, resulting in further and possibly, far-reaching implications. The Essential Freshwater package has added to farmer’s and grower’s uncertainty. There is still no real clarity as to where this will lead and what is coming next for those that form the backbone of the New Zealand economy.