BEFORE THE HEARING COMMISSIONERS DUNEDIN

IN THE MATTER

IN THE MATTER of the Resource Management Act 1991 (RMA or the Act AND

> of Proposed Otago Regional Policy Statement 2021 (Freshwater Planning Instruments)

STATEMENT OF EVIDENCE OF JOHN SIMON WEBB ON BEHALF OF HORTICULTURE NEW ZEALAND

28 JUNE 2023



ATKINS | HOLM | MAJUREY

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INTRODUCTION

- 1. My name is John Simon Webb.
- 2. I own and operate Webb's Fruit on the outskirts of Cromwell. The growing operation produces a variety of fruit.

WEBB'S FRUIT

- 3. Webb's Fruit grows:
 - (a) 27 hectares of peaches and nectarines;
 - (b) 6 hectares of apples; and
 - (c) 16 hectares of apricots.
- 4. We lease a further 2.5 hectares of land that has historically been unkept. We started the development plan for this area of land in 2015/16. We will continue to develop the land.
- 5. On average, across the four types of fruit that we produce, we produce about 25 tonnes of fruit per hectare per year when in full production.
- 6. At this stage, our whole operation of fruit trees in the orchard are irrigated and has been since the operation started in 1914. Originally the land was irrigated by Westmoreland Water Race which took its water supply from Parkburn and Lowburn streams. We relinquished this water stake holdings in 2015.
- 7. Since the 1950's the operation has had a backup water supply from Lake Dunstan, authorised by a deemed permit. This permit was reissued in 1998 (permit number 97623, expired in October 2021). Lake Dunstan is a plentiful water source as it is a hydroelectric lake. In 2022, we received a 6 year consent which expires July 1st 2028 (RM21.085.01).
- 8. We operate to best practice for fruit growing. An example of how we achieve best practice is by having soil moisture probes which allow us to monitor soil moisture and accurately know when and how much water to apply. We are also converting as much of the orchard as we can to under tree irrigation, which will more efficiently use water as it provides better distribution and direction of water to the rootzone.

Irrigation system

- 9. Across the orchard we have 25 hectares of overhead irrigation, and the rest of the property (new plantings and some conversion land) has under tree irrigation. Our water use varies throughout the year. In general, we use more water when we are frost fighting on our lower property (generally September, October, and November) and in the hotter months of December to March. Water use in the months April August are generally very low.
- 10. By way of background, water is used for frost fighting by protecting the buds from frost damage. The buds form flowers and the flowers become fruit, so it is very important to protect them. A good bud burst will hopefully mean a good amount of fruit on the trees. The water forms a layer around the bud flowers or fruitlets and that protects them from the frost. This only works down to about -5 degrees Celsius. Wind machines can combat frost fighting only down to about -2 degrees Celsius, meaning large quantities of water are required for severe frost for the protection of the crop.
- 11. Our previous water permit allows a maximum take of 1 million litres an hour (which is 8,760,000 cubic metres which is more than we could pump). However, the most water we have ever taken in a year is 276,000 cubic metres. This low rate is due to meter reliability issues. The Aqualinc guidelines, suggested by Council in the past, can be used as a tool to calculate how much water we would need to take to keep our orchard operating in a worst-case scenario. Our new water permit allows us to use 276,546 cubic meters of water in a year.
- 12. We store water in two dams that we have on the property. The dams store enough water to give us about a week of water in total in the summer or a large night of frost fighting.

Development of the operation

13. The orchard has been in the family since 1914 and it has continually been developed and improved. We have been intensively developing the land since 2017. Prior to the 2017 development, my wife and I had spoken to Council, specifically Bruce Monaghan in January 2016, regarding water permits and certainty. Following that, we had the confidence to continue with our plans as confidence to develop orchards is expressly tied to the level of certainty around water, given that water is a fundamental requirement for orcharding operations.

- 14. From 2017 we have developed 28 hectares of land. This has directly cost us approximately \$850,000, with additional indirect costs (my wife and I working in the orchard and bringing it into production) of at least another \$500,000. We have upgraded the infrastructure on our home orchard (approximately \$450,000 on packing shed, \$250,000 on staff accommodation) to cope with the production increase that has occurred.
- 15. The pORPS process is another layer that causes change and uncertainty to the water permit landscape and contributes to hesitancy and an unwillingness to confidently develop or expand orchards. Ideally the pORPS will provide direction and certainty and given orcharding is an efficient user of water I would like to see this expressly accounted for in the pORPS.
- 16. As noted above, we lease 2.5 hectares of land that is currently undeveloped and wasted land. We have had a development plan in place for this section of land since 2015/16 and have ordered trees for it (costing \$60,000) and have budgeted for another \$30,000 to go into the land.
- 17. We have had to plan for a development like this for many years due to the need to pre-order trees years in advance. Not being able to develop these 2.5 hectares of land will mean that we are paying a lease on land that we cannot use, we will lose the deposit on the trees and have to cancel the orders. Developing the land would mean that about \$300,000 a year would go into the local economy through employment, transport, packaging and other associated industry when in full production.
- 18. The environmental impacts of developing the land will be low, if not positive, because it will control rabbits, reduce weeds (briar, broom etc) and reduce the spread of wildling pine. Water is efficiently used through a high level investment into irrigation systems that support efficient delivery of water to a crop. In addition, there are very low environmental

impacts as the use of fertiliser is very limited compared to other types of primary production. We cannot sustainably develop this land without certainty of water.

KEY CONCERNS WITH THE PROPOSED OTAGO REGIONAL POLICY STATEMENT

- 19. Through other planning processes we have become increasingly concerned with continuation and ongoing access to water to run our operation. To date, we have invested in the business and orchard based off the certainty that we would be able to continue taking the water we need and that we thought we had. We have invested many hundreds of thousands of dollars. The effects that uncertainty with water access will have on our business, and those we have employed, will be vast.
- 20. We are also concerned there may be a continued practice of issuing short-term consents. We believe there should be recognition of the efficiency and long-term nature of an orcharding operation when issuing consents.
- 21. It is not feasible to invest the amount of money that we need to develop and/or improve the orchard with only a 6 year time frame. We do not have certainty that we will be able to use our investment due to the number of years that it takes an orchard to grow from development phases to production. The cost of the consent process also appears to be very high. I am aware of people spending tens of thousands, if not hundreds of thousands, on consenting processes.
- 22. From a people perspective we are also concerned with the amount of extra stress that these processes put on our friends and community. We have based our business around the certainty of the water permits and it has been very stressful developing plans around so much uncertainty in recent years.
- 23. The pORPS process has also coincided with the aftermath of Covid-19 pandemic and more recently weather events that affected the crop. (The late snow and cold weather event in early Spring 2022 and the drought conditions over summer 2022/23). Neither of these two events can be controlled, but the culmination of the consenting and water uncertainty,

Covid-19 and the storms, has given us cause for concern for our friends and other growers in the region.

24. We (Trudi went in) participated in our local community consultation processes run by ORC at the end of 2022. The community and our orchard were keen to see food production as a value recognised in our local FMU and believe the community developed vision and values for our FMU and rohe should be retained.

John Simon Webb

28 June 2023