



Media information – 7 November 2016

Report signals big gains from water storage scheme

A recent report on future land uses in Wairarapa brought about by a region wide water storage scheme, points to a win for both the economy and the environment.

Local farm advisory firm, BakerAg, has investigated the changing land uses in the Ruamāhanga valley, both with and without water storage.

Their conclusion in the September report titled "*Water Wairarapa Future Land Use Scenarios*", is that, with the proposed Water Wairarapa scheme the primary sector in the region will flourish, without, it won't especially with climate change impacts.

The high level report looks at land use changes from the present day up to 2080. Factoring in climate change projections, BakerAg forecasts less livestock farming, including dairying, and more plant based food production in the valley. This will lead to increasing export of edible crops, vegetables, fruit and growth in boutique value-added businesses associated with high value locally grown produce.

The Water Wairarapa scheme, currently at feasibility stage, could increase the current irrigable footprint in the area of the valley that it will cover from around 9,000 hectares to approximately 30,000 hectares over time.

The scheme would consist of one or more storage reservoirs and a distribution network to deliver pressurised water to customers. The two proposed reservoir locations currently being considered are situated at Black Creek in the Kaituna area west of Masterton and Tividale, north-east of Masterton.

Criticism of the scheme has focused on the possibility of driving unsustainable growth in dairy farming. However, project director Michael Bassett-Foss says the scheme is not about dairying, but instead, creating certainty around water availability, new land use opportunities, and promoting environmentally sustainable land uses and practices. The report supports this goal, Mr Bassett-Foss says.

With the scheme, pastoral and cropping farming will be the first to expand. Even though there may be an initial increase in dairy as a faster adopter of irrigation, it will soon shrink compared with current land uses, the BakerAg report says.

"Wairarapa is not conducive to widespread dairy increase because of its relatively small blocks of land and land being more expensive. The report shows there will be much more productive uses for land than dairy," Mr Bassett-Foss says.

The shift away from water on pasture to increased water on forage, arable, vegetables and crops will gather momentum in the 2025 to 2040 period. This will be driven by technical, economic and climatic factors.

Economically, water will, over time, follow the path of highest sustainable returns which is expected to be in seed, fruit and vegetable production.

Between 2040 and 2080, with average air temperatures and drought frequency and severity expected to be climbing, storing water and using the more favourable growing conditions to productive advantage will also drive land use change.

Without water storage, the report says the irrigated area will, at best, grow only marginally. Existing irrigators will become increasingly affected by water reliability issues because of the growing impact of climate change which will have a severe effect on productivity. Lifestyle blocks are expected to nearly double in area by 2040, occupying land which would have otherwise been used for production because, without water, this offers the best return to the farmer and the community.

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For more information contact:

Michael Bassett-Foss, Project Director, Phone 021 469340, Email Michael.bassett-foss@gw.govt.nz

Full project information, including all reports, are available at www.waterwairarapa.co.nz