



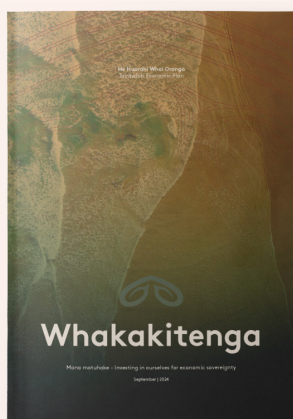
Water for the economy

Unlocking the economic potential of
irrigation water in Tairāwhiti

2025

Trust Tairāwhiti commissioned an independent study to understand how irrigation water could strengthen the region's economy, create jobs and help landowners get more value from their whenua.

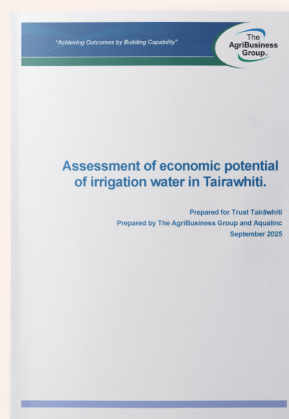
The report, delivered by the AgriBusiness Group and Aqualinc, supports a key goal of the Tairāwhiti Economic Plan – Water for the Economy. The aim is to grow regional GDP by supporting high-value crops, unlocking whenua Māori, and encouraging investment in resilient water systems.



Scan me with your phone camera to view the Tairāwhiti Economic Plan



www.trusttairawhiti.nz



Scan me with your phone camera to view the Assessment of economic potential of irrigation water in Tairāwhiti



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Current situation

Tairāwhiti has the land, soil and climate to grow a stronger horticultural economy, but reliable water access is the missing link.

The region has approximately 87,000 hectares of land suitable for irrigation, yet only about 8,700 hectares (10 per cent) are currently irrigated. Most irrigation occurs in the Waipaoa catchment, which also has some of the region's best soils and most established horticultural operations.

Tairāwhiti is known for its strong volumes of horticultural produce and is home to some highly productive horticultural operations, post-harvest handling facilities, and service industries.



~8,700 ha land is currently irrigated.

~87,000 ha land that could be irrigated.



Primary sources of irrigation are **Waipaoa catchment and Makauri Aquifer**.



Primary land use is pasture and maize, with smaller areas in kiwifruit, citrus, grapes, and pipfruit.

Challenges

If no action is taken to develop additional storage of water or restore the levels of the Makauri Aquifer it is likely that the water available for irrigation use will decrease significantly due to:

- **Climatic conditions** resulting in periods of little to no rain during the summer months.
- **Reduced water reliability** due to the likely implementation of stricter Waipaoa River minimum flow limits (around 11 per cent reduction).
- **The Makauri Aquifer** is under stress, a 15% cut in water takes is being considered, with additional cuts required in the future.

The opportunity

The report modelled how improved water infrastructure and land-use change could lift the region's economy. These figures show the transformative value of investment in water storage and efficient irrigation.

Opportunity 1:

Improved management of existing water

If storage dams capture winter flows, a Managed Aquifer Recharge (MAR) system supports the Makauri Aquifer, and land use shifts to higher-value crops:

+1,030 ha

of additional irrigated land.

+1,926

full-time jobs.

+\$403m

regional GDP.

~33%

of land that could be irrigated is
Māori-owned.

+\$70m

household income.

\$246m

of farm/orchard output
up 35 per cent.

Opportunity 2:

Unconstrained potential

This opportunity reflects the full potential of all land that is suitable for irrigation, regardless of current water availability. It would require significant storage development, more efficient use of water and land modification.

150,000 ha

of land could be irrigated.

+23,000

full-time jobs.

+\$4.9b

regional GDP.

87,000 ha

flat to rolling land (0-15° slope)

63,000 ha

Strongly rolling land
(16-20° slope).

What it means for Tairāwhiti

Without investment into new water storage or restoring the levels of the Makauri Aquifer recovery, the amount of water available for irrigation will continue to decline.

However, with targeted investment and collaboration across landowners including Māori owned land and incorporations, local and central government, and iwi, the region could unlock significant economic, social, and cultural benefits.

This is a long-term opportunity that will require partnership, innovation, and a shared vision for the region's sustainable growth.

Key actions:

Unlocking the potential

- Develop and support regional water storage and aquifer recharge projects.
- Encourage a shift to high-value, water-efficient crops to drive the biggest economic lift per cubic metre.
- Establish cooperative water supply schemes to share infrastructure costs.
- Support horticultural development, especially in the Waiapu catchment.
- Strengthen policy frameworks to balance environmental protection with economic opportunity.

Disclaimer: The information in this report is accurate to the best of the knowledge and belief of the consultants acting on behalf of the Trust Tairāwhiti. While the consultant has exercised all reasonable skill and care in the preparation of information in this report neither the consultant nor the Trust Tairāwhiti accept any liability in contract, tort or otherwise for any loss, damage, injury or expense, whether direct, indirect or consequential, arising out of the provision of information in this report.

Photo credit: Cover image was taken at the mouth of the Waiapu River by Air Ruatoria.



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