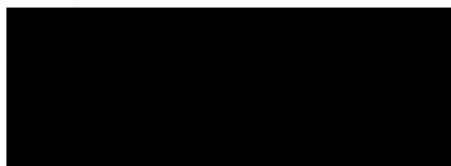


In the matter of: Proposed National Policy Statement for Highly Productive Land

And: **Sutherland Produce Ltd**
Submitter

And: **Ministry for Primary Industries**
P O Box 2526
Wellington 6140

Contact: Stuart Davis
General Manager



Thursday 10th October 2019

Introduction

Sutherland Produce Ltd is a large commercial vegetable production operation in the Bombay area with approximately 400 ha of market garden under its management and employing over 60 full-time permanent staff.

SPL does not own any of the land it manages, it is all leased. Lease agreements typically are on a 5-year basis however some are negotiated on an annual basis.

SPL is the largest supplier of green vegetables to the domestic market in the area.

SPL is the main supplier of broccoli, lettuce and silverbeet to the Countdown supermarket chain in the North Island. Reliable, constant all-year-round supply is an important component in maintaining that key supply relationship.

SPL's operations are based at 188 Mill Road, Bombay and most of its cropping is conducted within a 7 km radius of this site. This provides efficiencies in the logistics of running a large-scale green vegetable operation.

The land in this area is volcanic and undulating so not all of the land on the leased properties is cropped. Areas that are not suitable for cropping are in pasture and used for grazing cattle. Some other areas are protected native bush and riparian plantings.

Submission on Proposed National Policy Statement for Highly Productive Soils

1. This submission is on behalf of Sutherland Produce Ltd in relation to Ministry for the Environment and Ministry for Primary Industries proposed National Policy Statement for Highly Productive Land. Sutherland Produce Ltd will gain no competitive advantage through the lodgement of this submission.
2. We support the adoption of a National Policy Statement for Highly Productive Land (NPS-HPL), on the basis that this will force consideration of the value of highly productive land (HPL) into planning and consenting processes and discourage inappropriate use and fragmentation of finite land that is suitable for commercial vegetable production (CVP). We do not however consider that soil (and to some degree topography) should be the only considerations in determining highly productive land. There are a number of factors that make up a viable productive unit. The reliance on the Land Use Capability system as an interim measure is, on this basis, considered to be unsuitable. The LUC system is also often inaccurate, out-of-date and lacks the necessary granularity to be fit for this purpose. We consider there must be provision made for assessment to be done at a regional and property level.
3. We consider that the definition of Highly Productive Land must take into account all essential criteria that make up a viable production unit. These include soil type, size, topography, productivity, sustainability (specifically regarding the requirement for rotational cropping to avoid the build-up of soil pests and diseases), suitably consented irrigation water, reverse sensitivity, receiving environment sensitivity (e.g. ability to utilise nutrients), economic

viability, avoidance of biosecurity threat, and the effects of natural disasters. Unless all essential elements are in place to enable a viable production operation to be undertaken, it is perverse to restrict land use options.

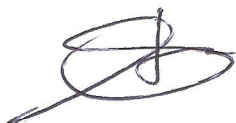
4. We also consider that the NPS-HPL must be looked at in the context of other proposed regulation. In particular:
 - the proposed National Environmental Standard for Freshwater (NES-FW) which essentially caps CVP to a limited area, despite a growing domestic population to feed.
 - the proposed National Policy Statement for Freshwater Management (NPS-FM) which identifies catchments that require rapid reduction in nitrates. These align in many cases to areas of land that are considered to be highly productive and used for CVP. Required nitrate reductions in some of these areas are as high as 80%. Reductions of between 30% and 50% are common and even at these lower rates of reduction, it is considered likely that many CVP businesses in these catchments will be unable to run a productive operation at the scale required to make the business viable.
5. The proposed National Policy Statement for Highly Productive Land (NPS-HPL) proposes to essentially 'lock' land into productive use, in order to prevent the valuable soil resource being fragmented or lost to urban expansion. However, if the land cannot viably be used for production, but cannot be used for any other use due to a narrow definition of HPL, the landowner stands to lose both their equity and their livelihood.
6. Pukekohe and the surrounds, in particular, provide a hub for commercial vegetable production (CVP) which significantly contributes to meeting the fresh produce demands of the domestic market¹ and is likely to be significantly adversely impacted by the cumulative effects of proposed regulation including the NPS-HPL, NPS-FM and NES-FW.
7. Pukekohe is unique within New Zealand as it presents favourable climatic conditions for the growing of crops, enabling winter production. In the north, crops are constrained by disease pressures, and further south may be subject to frosts.
8. Deloitte's acknowledged the significance of this location in providing for our national fresh vegetable consumption in 'New Zealand's Food Story – The Pukekohe Hub', August 2018 and confirmed that this area contributes to 26% of the nation's value of production of vegetables.
9. We urge the regulators to thoroughly consider the definition of highly productive land. We also ask that they address the implications of restricting land use change in the context of other proposed legislation. Failing to consider the cumulative effects of all proposed policies

¹ Deloitte's New Zealand's Food Story 'The Pukekohe Hub' Prepared for Horticulture New Zealand, August 2018

and regulation will, in our view, lead to a reduction in the quantity of locally-grown fresh produce in New Zealand.

10. We do not consider that regional councils are currently adequately resourced to cater for additional mapping and land classification requirements, again compounded by the excessive resourcing requirements imposed by numerous pieces of legislation currently proposed (in particular, the NES-FW and NPS_FM).
11. We support the location of activities that enhance the productive capacity of Highly Productive Land on that land. For example, glasshouses, packing sheds, post-harvest facilities, and distribution infrastructure that enhance the productive capacity of outdoor growers.
12. We support using incentives to improve the productive capacity of land. In some cases, this could provide for the development of land identified as Highly Productive Land. For example, transferable development rights in exchange for title aggregation.
13. We support policies to reduce reverse sensitivity issues, for example, requiring effective buffers at the rural-urban boundary interface and within a developer's site
14. An alternative option not considered within the MfE/MPI discussion document but generally preferred by the growers in the Pukekohe area would be a National Environmental Standard specific to Commercial Vegetable Production.

Signed:

A handwritten signature in dark ink, appearing to be 'Stuart Davis', written over a horizontal line.

Stuart Davis

Sutherland Produce Ltd