



In the matter of: Submission on proposed National Policy Statement for Highly Productive Land

And: **Balle Bros Group Limited**
Submitter

And: **Ministry for Primary Industries**
Local Authority

Contact Person: *Brendan Balle, Balle Bros Group*



Submission on proposed National Policy Statement for Highly Productive Land

Dated: 09 October 2019

1. This submission is on behalf of Balle Bros Group Limited (BBG) who, subject to modification of criteria and recommendations set out within this submission, support the adoption of a proposed National Policy Statement for Highly Productive Land (NPS-HPL). Balle Bros Group (BBG) will gain no competitive advantage through the lodgment of this submission.
2. BBG specialise in the growing, packing, and marketing of high-quality vegetables for both local and overseas markets. We currently farm within the Northland, Waikato, Manawatu-Wanganui and Canterbury regions, producing a range of crops such as Potatoes, Onions, Carrots, Cabbage, Cauliflower and Pumpkin. We provide employment for 300 full time staff and 170 part time/seasonal staff.
3. BBG have commercially grown vegetables for four generations and have a long-standing association, respect and understanding of the resources that we work with and land on which we grow. We pass our knowledge inter-generationally and have an engrained culture of educating and supporting the younger generation into this specialised field. We are an environmentally conscientious company and have made significant investments to protect the environment and to mitigate the effects of land use activities on our properties which includes substantial voluntary native plantings, fencing and enhancement of natural features.

4. BBG supports the introduction of a National Policy Statement for Highly Productive Land (NPS-HPL) that will conserve productive land for future generations and which avoids land fragmentation, urban encroachment and reverse sensitivity issues, provided that all factors that enable a viable growing operation to be undertaken are considered in the definition of Highly Productive Land. It is considered that enabling regional councils to reflect regionally specific pressures and situations is the most suitable outcome of the proposed options, in accordance with the Schedule 1 process.
5. Land Use Capability classification alone, is not considered to be a suitable tool to characterise land as highly productive. Not only is the scale and accuracy of mapping unsuitable for property determinations, but primarily there are numerous factors that determine whether land is highly productive or not, as detailed below.
6. BBG consider that the definition of Highly Productive Land must be expanded to take into account all essential elements that make up a viable production unit. These include climate, topography, soil type, area, productivity and productive capacity, sustainability (specifically regarding the requirement to manage and avoid the build-up of soil pests and diseases through rotational cropping), water availability, reverse sensitivity, ability to utilise nutrients, viability and avoidance of biosecurity threat and natural disasters. Unless all components are in place to enable a viable production unit, restricting land use options can have unintended and perverse outcomes.
7. It is also considered that the NPS-HPL must be looked at in the context of other proposed regulations. The proposed National Environmental Standard for Freshwater (NES-FW) essentially caps Commercial Vegetable Production (CVP) to a limited area without taking into account the need for sustainable practices such as crop rotations and availability of water for irrigation critical for vegetable production. This is despite the need to meet the fresh produce domestic supply demands of a growing population. In addition, the proposed National Policy Statement for Freshwater Management (NPS-FM) identifies catchments that require rapid reduction in nitrates, giving direction to regional councils to do the same.
8. As a result, many areas that are likely to be considered highly productive land when considering various factors in isolation, have been or will be, identified as requiring significant nitrate reduction under the proposed NPS-FM. Reductions of the scale proposed, will generally make it unfeasible for land in these catchments to continue in productive use for CVP and many growers will be unable to run a productive operation at the scale required to make the business viable.
9. The proposed National Policy Statement for Highly Productive Land (NPS-HPL) is likely to restrict land classified as highly productive, to productive use only. However, if the land cannot viably be used for food production, be it through the inability to apply adequate nutrients, a lack of availability of water, or the lacking of another essential component required to operate a viable productive unit, then heavy handed regulation could have serious consequences
10. Many areas are unique in their growing ability and often conditions cannot be replicated elsewhere. This is not unique in isolation to vegetable production. Most people are conscious of where the best stone and pip fruit are grown and that the best grapes are often grown on the boniest and gravelly soils and driest of climates. The NPS-HPL is attempting to protect productive land but without also considering all other elements required to make the business units sustainable. The implications of other proposed policies and regulation have the potential to cause major disruption at a time when there are also wide ramifications to global issues that are confronting primary producers.

11. The cumulative effect of current legislative proposals, is that Commercial Vegetable Production is likely to reduce in many areas. If land is restricted to a productive use that it cannot support, the outcomes are likely to be perverse and unintended. The world trading environment is rapidly evolving and New Zealand producers need the ability to be flexible and adapt to new dynamics where nobody seems to know “where the ball will land”.
12. We urge you to address national food security and to look at productivity in its entirety. We consider that unless the proposal is looked at in the context of other proposed legislation, the outcome may be not aligned with the desired intentions.
13. With regard to food hubs, Pukekohe, in particular, is an axis of commercial vegetable production (CVP) which significantly contributes to meeting the fresh produce demands of the domestic and export markets. Of note, this area almost entirely meets the domestic supply for carrots, potatoes and leafy greens in October, November and the early part of December each year. Pukekohe is unique within New Zealand as it presents favourable climatic conditions for the growing of these crops, enabling winter production. In the north, crops are constrained by disease pressures, and further south may be subject to frosts. 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. The CVP operations in this area will be significantly adversely affected and restricted under the restrictions proposed through the NPS-FM and NES-FW. Unless the NPS-HPL takes this into consideration there will be minimal benefit to restricting land use change in not only this area but much wider throughout the country.
14. BBG consider that the current proposals fail to provide tangible incentivisation for ecological enhancement. Areas where large scale ecological enhancement is facilitated through retirement of land from intensive farming use, then measures that reflect this are both appropriate and necessary. It is also considered that incentives should be provided for initiatives that improve the productive capacity of land, such as transferable development rights in exchange for title aggregation and amalgamation of normally uneconomic and unviable lifestyle blocks that may be as large as 4-8 hectares. This mechanism has the ability to reverse fragmentation, a fact that many have failed to grasp.
15. We encourage the consideration of supporting infrastructure for a viable growing operation. We also support initiatives to mitigate reverse sensitivity issues, such as appropriate buffers. For example, requiring effective buffers at the rural boundary and within a residential developer’s site.
16. An alternative option supported by BBG, is a National Environmental Standard specific to Commercial Vegetable Production. This could provide a nationally consistent framework specific to the CVP industry which is specialised and unique in its requirements. National food security should be a priority and needs to be addressed holistically through all proposed policies and regulation to preserve the ability to supply fresh locally grown produce for the health and wellbeing of all New Zealanders.

Signed



Kelly Deihl on behalf of Balle Bros