

**SUBMISSION ON:** The Proposed National Policy Statement  
for Highly Productive Land

Thursday 10 October 2019

**TO:** The Ministry of Primary Industries and the Ministry for  
the Environment

**NAME OF SUBMITTER:** Potatoes New Zealand

**Notice of wish to be heard regarding this submission:** PNZ  
wishes to be heard regarding this submission in any hearing  
convened regarding the adoption of this NPS.



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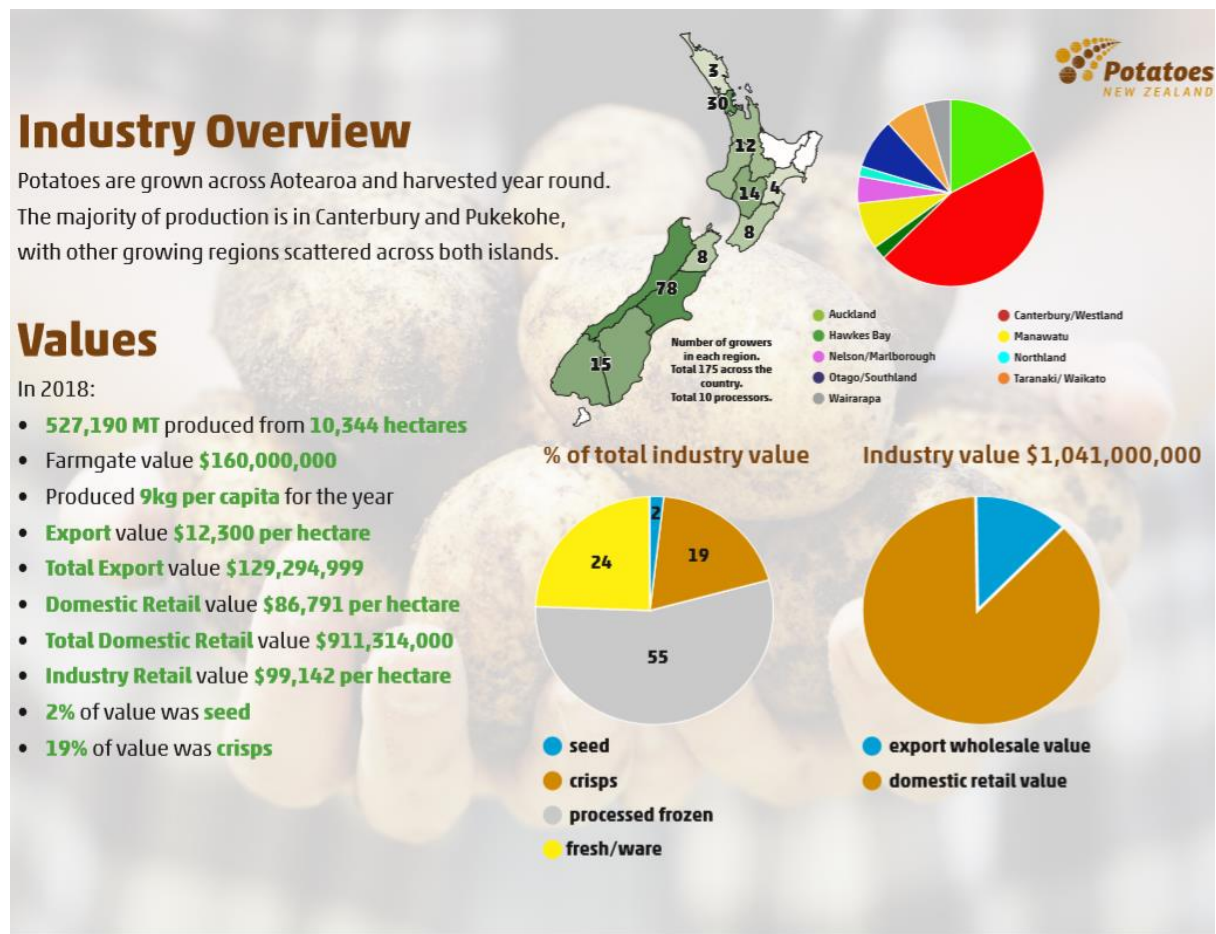
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## About the sector

1. PNZ is the industry body specifically focussed on the potato sector and is an affiliated group to Horticulture New Zealand. Unlike some other sector bodies in the horticulture industry; PNZ is fully integrated across seed manufacture, potato production and processing entities.
2. The New Zealand Potato Industry contributed \$1,041,000,000 to the NZ economy in 2018.
3. Potatoes are grown across Aotearoa, from Northland to Southland, with the majority of production in Canterbury and Pukekohe. There are 175 growers in total at present, with 78 of those in Canterbury and 30 in Pukekohe.
4. The area planted in 2018 was 10,344 hectares, from which 527,190 metric tonne of potatoes was produced. The farmgate value of which was \$160,000,000.
5. The Industry has a total export value of \$129,294,999 and total domestic retail of \$911,314,000.
6. Potatoes growers produce seed, fresh potatoes and processing potatoes for the 10 processors across the country.
7. The current PNZ strategy is to double the value of fresh and processed exports by 2025, increase domestic market value by 50% by 2025 and increase yield by 12% and value by \$1500 per hectare within next 10 years.

8. The value of the sector and some key facts are presented in the infographic below:



### Principle reasoning for this submission

- Potatoes NZ (PNZ) is making this submission to support the submissions of Horticulture New Zealand (HortNZ). PNZ commends the Government on making the decision to protect the remaining highly productive land. The HortNZ submission addresses the NPS broadly and PNZ supports the amendments they seek. This submission is targeted at identifying the critical issue for PNZ in respect to this NPS. The critical issue for PNZ relates to **the purpose of protection**; being the ability to grow food on highly productive land now and into the future.
- For this reason PNZ is less supportive of a national policy that only seeks to make highly productive land **available** for future generations. There is no point in making the land available if it is not appropriately provided for in water policy and planning decisions.<sup>1</sup> For example, In Waikato's Variation 6 on water allocation the Council opposed policies guaranteeing a certain level of water security for Waikato vegetable growers in favour of a priority for water to Auckland and the licencing of unauthorised takes for dairy shed washdown and milk cooling. The policies instigated by Waikato Regional Council are likely to severely impact water availability when they come into effect in 2030.

<sup>1</sup> PNZ notes the addition of a policy on reverse sensitivity within the proposed NPS. Reverse sensitivity is a critical issue and the retention of that policy is supported by PNZ.

11. Highly productive land is a scarce and finite resource. It is also in high demand for food crops such as potatoes. Increasingly issues with:

- reverse sensitivity,
- water availability and the proposed regulations for water quality; and
- encroaching urbanisation

are being experienced directly by potato growers. These challenges are providing significant investment uncertainty for growers and the post-harvest processors (such as McCains, Bluebird, Talleys, Watties).

12. PNZ is concerned that without these issues being addressed many processors and growers will choose to exit the industry in NZ. These processors are not seeking a free ride through regulation; they are just seeking some certainty in the policy direction; that acknowledges the investments made in processing capacity and the reliance on suitable land and water to produce potatoes. In this respect a national policy direction is required in order to achieve a level of protection from inappropriate subdivision, use and development; including the prioritisation of other (often non-essential) activities over fruit and vegetable production.

13. PNZ also believes it is time for New Zealand to closely consider food security policies at home in order to safeguard future generations. The public health aspects of food security policy have been recognised for some time<sup>2</sup>; with regional public health organisations calling for a toolkit for local councils and a national food security council in NZ to try and ensure that policies do not unfairly prejudice access to healthy food.

14. One issue with providing a toolkit to local Councils is that the jurisdiction of a council is local; whereas New Zealand's food systems are national, requiring national direction that is holistic and systematic. In the absence of national direction; local Councils have often de-emphasised the contribution local production makes to food security for all New Zealanders. Many regions are unique suppliers of fruit and vegetables at differing periods of the year due to differences in climate, soil and water availability.

15. PNZ acknowledges that some of the crop is destined for export. PNZ wishes to note that the export production underpins the sustainability of the domestic food supply, because without the export production much local supply would simply become uneconomic or significantly raise the cost of local supply. The export market helps to reduce the cost of local supply and should not be separated in policy for this reason.

#### **Decisions sought by PNZ in relation to the proposed NPS HPL**

16. **PNZ supports the decision to provide national direction through an NPS, as long as consideration is not provided just to the availability of land, but more importantly to the utility of that land to grow crops for human consumption.** The utility of the land must

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<sup>2</sup> <https://www.ttophs.govt.nz/vdb/document/741>

include some qualified and careful consideration of the natural resources required to maintain or improve the utility of the land.

17. PNZ supports in general the thrust of the HortNZ submission. **PNZ has sought some specific changes provided below to the text of Objective 2 and Policy 2 to reflect the changes required to confirm our support for the proposed NPS.**

18. Make the following amendments to Objective 2:

**To maintain the utility ~~availability~~ of highly productive land for primary production for future generations.**

19. Make the following amendments to Policy 2:

### **Maintaining highly productive land for primary production**

**Local and regional authorities must maintain or improve the ~~availability~~ utility and productive capacity\* of highly productive land for primary production by making changes to their regional policy statements and district plans to:**

**a. prioritise the use of highly productive land for primary production**

**b. Provide ~~consider giving greater~~ protection to areas of highly productive land that make a greater contribution to the economy and community;**

**ba. Consider the allocation of water resources to highly productive land and reflect the requirement to utilise water in decision making;**

**c. identify inappropriate subdivision, use and development of highly productive land; and**

**d. protect highly productive land from the identified inappropriate subdivision, use and development.**