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*In the matter of:* Clause of Schedule 1 – Resource Management Act - Submission on publicly notified plan change – Variation 1 to the Proposed Waikato Regional Plan Change 1 – Waikato and Waipa River Catchments (PPC1)

*And:* **Balle Bros Group Limited**

Submitter

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Balle Bros Group

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Phone 027 493 9751

*And:* **Waikato Regional Council**

Local Authority

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### **Submission on publicly notified proposal for plan change**

***Dated: 22 May 2018***

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1. This submission is on behalf of Balle Bros Group Limited who oppose the Waikato Regional Council's proposed Plan Change 1 (PPC1) in its current form.
2. Balle Bros Group (BBG) wish to be heard in support of this submission and are not trade competitors for the purposes of this submission.
3. Balle Bros specialise in the growing, packing, and marketing of high quality produce for both local and overseas markets. We currently farm extensively within the Waikato region, producing a range of crops such as Potatoes, Onions, Carrots, Cabbage, Cauliflower and Pumpkin. We also have a Dairy farm in the region. We provide employment for 300 full time staff and 170 part time/seasonal staff.
4. BBG have commercially grown vegetables for four generations in the Auckland and Waikato Regions and have a long-standing association, respect and understanding of the scarce 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 consciences company and have made significant investments to protect the environment and to mitigate the effects of diffuse discharges from our properties.

5. The view of Balle Bros is that there is no limitation on scope for this submission. Overall, we restate the position of our initial PC1 submission.

### **Variation 1 Section 32**

6. BBG reiterate that grandparenting through the introduction of a Nitrogen Reference Point (NRP) is contradictory to the intent of the Waikato River Authority's Vision and Strategy (V&S) and does not instill the positive behavioural and land management changes that are required to meet its objectives. This approach has many unintended outcomes that have not been adequately considered within the original or Variation 1 section 32 analysis, including:
  - a. the capital devaluation of properties
  - b. increased risk profiles on those properties with a low NRP
7. We consider that both the original and Variation 1 section 32 reports fail to acknowledge the social, economic and cultural impacts imposed upon the commercial growing sector under the proposed rule framework. We reiterate that fresh vegetables are essential to the wellbeing of our communities and soils capable of vegetable production are scarce. Elite soils required for vegetable production are being consumed by Auckland's urban sprawl into the traditional growing areas of Pukekohe. This is leading to the loss of versatile soils and traditional commercial vegetable growing land on the northern Waikato boundary but under the proposed rule framework, it will be unlikely that land use change will be enabled to ensure that current and future market demands can be met. Pukekohe and Pukekawa meet the demands of the domestic market for carrots, potatoes and leafy greens almost entirely for October, November and the early part of December each year. This area 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. The impacts of restricting land use flexibility for commercial vegetable production need to be adequately considered.
8. We further emphasise that the social impacts in relation to the loss of locally available produce amidst a growing population, the potential increase to food prices as a result, and the inability of enterprises to be able to respond to changing market demands have also been omitted from the Variation 1 analysis.

*The specific provisions of the proposal that this submission relates to and the decisions it seeks from Council are as detailed below. The outcomes sought and the wording used is as a suggestion only, where a suggestion is proposed it is with the intention of 'or words to that effect'. The outcomes sought may require consequential changes to the plan, including Objectives, Policies, or other rules, or restructuring of the Plan, or parts thereof, to give effect to the relief sought.*

### 3.11.2 Objectives

9. Objective 6: Balle Bros support the intention of Objective 6 but suggest modification. This objective cannot be given effect to without also acknowledging the contribution that pest fish species make to the turbidity and resuspension of nutrients within the system. It is considered that **reduction should be required where necessary** in each of the four contaminants of concern to ensure that contaminant loads **both entering and leaving** the Whangamarino Wetland are consistent with the achievement of the water quality attribute targets in Table 3.11.1.

#### Resolution sought:

10. Amend as indicated above.

### 3.11.3 Policies

11. Policy 15: Again, we suggest that wording reflect that **reduction should be required where necessary** in each of the four contaminants of concern to ensure that contaminant loads **both entering and leaving** the Whangamarino Wetland are consistent with the achievement of the water quality attribute targets in Table 3.11.1. It is considered that without the management of pest fish species this will be unachievable. We note that section c of this policy indicates the support for implementing any catchment plan prepared for the Whangamarino, yet the Long Term Plan does not reflect this in funding allocation.

#### Resolution sought:

12. Amend as indicated above.
13. Allocate adequate funding within Waikato Regional Council to support the implementation of a catchment plan prepared for the Whangamarino if this is to be reflected in Policy.

### 3.11.5 Rules and Schedules

14. Balle Bros support the extension of dates outlined within the rule framework, with amendments.
15. Under Rule 3.11.5.5, commercial vegetable production is a permitted activity until 1 September 2021 from which date it shall be considered a controlled activity.
16. The Nitrogen Reference Point (NRP) is required between May 2020 and November 2020. Balle Bros do not support the use of a Nitrogen Reference Point nor is OVERSEER considered to be an appropriate tool for modelling commercial vegetable production systems.
17. We consider that every sub-catchment is different and that each displays different water quality characteristics. We support a sub-catchment based management approach to enable the identification of problem areas specific to each of the four contaminants and to each sub-catchment, and to enable land owners/occupiers to collectively act to make reductions in those areas that require improvement.
18. The modelling tool OVERSEER used to derive the NRP is considered impractical for use in a horticultural context with a high margin of uncertainty. OVERSEER (in the absence of another suitable alternative model currently being publicly available to the growing sector) does not take into account split applications of fertiliser, or the effects of slow release fertilisers, as

would likely be encouraged through the tailored Farm Environment Plan. Therefore, if using OVERSEER for commercial vegetable production, the NRP derived would likely be incorrect and it is also unlikely that this model could accurately reflect changes over time, despite good and best management practices being adopted.

19. Balle Bros consider that there is currently no publicly available modelling tool that is appropriate for modelling commercial vegetable production systems and as such, it would be more sensible to align the NRP dates (if the NRP is adopted for commercial vegetable production) to that of the consenting timeframes, being within 6 months of 1 September 2021, namely by March 2022. This allows the industry the greatest opportunity to develop/refine a suitable modelling programme. We consider it imperative that the data is as correct as possible if to provide a true representation and to inform the next Plan Change.
20. Of considerable importance under Rule 3.11.5.5 is that the Commercial Vegetable Production Controlled Activity consent must be a discharge consent and not a land use consent. Crop rotation is considered to be an essential element of vegetable production, preventing a build-up of disease and maintaining good soil health. A discharge consent belonging to the enterprise will enable required crop rotation. A land use consent however, would belong to a parcel of land and would not enable the enterprise to retire land parcels and rotate between lots as required, while keeping within their maximum hectares, particularly in a leasing situation, which is common.
21. It is also considered that a Nitrogen allocation-based approach will pose considerable complications for rotation of crops and retired parcels of land, particularly when four contaminants are identified as being of concern (three of which are considered applicable to commercial vegetable growing systems).
22. It is considered that restricting change in land use for commercial vegetable production through a non-complying activity rule severely restricts expansion of fresh produce production within the Waikato, a region with the scarce elite soils that are required for vegetable production.
23. Auckland's sprawl has already led to the development of a substantial portion of land suitable for vegetable production and land conversion is considered unlikely within the Waikato under the proposed rule framework. This has significant social and economic impacts amidst a growing population where five plus a day is endorsed and poverty is already restricting access to fresh produce due to price.
24. As stated previously, Pukekohe and Pukekawa in particular, meet the demands of the domestic market for carrots, potatoes and leafy greens almost entirely for October, November and the early part of December each year. This area 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.
25. An inability to convert land for vegetable production will lead to an inability to meet domestic market demands as the population grows. This will also lead to an inability for the younger generation to enter this industry unless in an existing operation, working under currently consented hectares.

**Resolution sought:**

26. Remove requirement for NRP from Plan Change 1 rule framework and allow for sub-catchment management approach, considering all four contaminants equally.
27. If NRP is to be retained, amend Schedule B to require NRP and NRP data for commercial vegetable production to be provided to Waikato Regional Council at the same time as lodging consent, being within 6 months of 1 September 2021, namely by March 2022.
28. Clarify that controlled activity consent is a discharge consent.
29. Remove Non-Complying Activity Rule from PPC1 for commercial vegetable growing to enable scarce elite soils to be utilised for vegetable production and the demands (essential to community health and wellbeing) of a growing domestic market to be met. It is proposed that commercial vegetable production may be enabled on new land where good practise in accordance with industry guidance can be achieved; the enterprise is working under an approved industry scheme; and under a Certified Farm Environment Plan.