

SUBMISSION ON Change 6

6 September 2022

To: Bay of Plenty Regional Council

Name of Submitter: Horticulture New Zealand

Contact for Service:

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OVERVIEW

Submission structure

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Our submission

Horticulture New Zealand (HortNZ) thanks Bay of Plenty Regional Council for the opportunity to submit on Change 6 and welcomes any opportunity to continue to work with council and to discuss our submission.

HortNZ could not gain an advantage in trade competition through this submission.

HortNZ wishes to be heard in support of our submission and would be prepared to consider presenting our submission in a joint case with others making a similar submission at any hearing.

The details of HortNZ's submission and decisions we are seeking are set out in our submission below.

HortNZ's Role

Background to HortNZ

HortNZ represents the interests of approximately 5,500 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruit, and vegetables. The horticultural sector provides over 40,000 jobs.

There is approximately, 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain; and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



HortNZ's Resource Management Act 1991 Involvement

On behalf of its grower members HortNZ takes a detailed involvement in resource management planning processes around New Zealand. HortNZ works to raise growers' awareness of the Resource Management Act 1991 (RMA) to ensure effective grower involvement under the Act.



Submission

1. Horticulture in Bay of Plenty

Freshfacts¹, published annually since 1999 by Plant & Food Research, provides a year-by-year report on horticulture in New Zealand. This is based on the Statistics New Zealand Agricultural Production Census with most recent data to 2017. The next Agricultural Production Census is being held in July 2022, gathering information about farms, fields, orchards, and forests to identify trends and provide current statistics that benefit the agricultural sector, inform decision-makers, and measure New Zealand's growth.

Table 1: Area planted in fruit (hectares).

Apples	Grapes	Kiwifruit	Summerfruit	Avocados	Citrus	Berryfruit	Nuts	Olives	Other	Total
67	75	9227	7	1834	62	42	28	26	79	11447

Table 2: Area planted in vegetables (hectares).

Asparagus	Broccoli Cab & Caulis	Peas & Beans	Sweetcorn	Other	Total
4	10	1	14	28	57

Table 3: Indoor crops (hectares).

Capsicum	Mushroom	Salad Green	Tomato	Other	Total
42	1	16	2	12	73

1.2 Social and Economic Contribution

People are part of the natural environment, and the social, economic, and cultural wellbeing of all people must be provided for within natural environmental limits. Horticulture produces healthy food to support the essential health needs of people and provides jobs and export earnings which support the social, economic, and cultural wellbeing of the Bay of Plenty and national population.

1.2.1 GROSS DOMESTIC PRODUCT AND EMPLOYMENT

Kiwifruit is the biggest hort producer in the region with 11,053 hectares (over 80% of New Zealand total). The average orchard size being 3.3 hectares (green) and 3.8 hectares (gold)². The kiwifruit industry in the region generates 7,506 fulltime equivalent jobs and 19,474 seasonal jobs³. Full time employment is expected to grow to 25,091 by 2029/30.

Kiwifruit plays a major role in national and Bay of Plenty GDP. The GDP for the region in 2020/21 was \$1.78b⁴ and is expected to grow to \$2.04b by 2029/30⁵.

The second biggest hort producer in the region, the New Zealand avocado industry value eclipsed \$227m in the 2020-21 season, with \$167m delivered by avocado exports and \$60m in sales in the New Zealand market. 54% (2,198 hectares) of New Zealand's avocado production came from the Bay of Plenty region in 2020.

2. Change 6

HortNZ generally supports Change 6 to the Regional Policy Statement (RPS) to the extent that it excludes areas outside of urban environments and does not unexpectedly extend the intensification areas into productive land area. Two key areas that HortNZ would like strengthened are protections against reverse sensitivity and erosion of highly productive land (HPL).

Reverse sensitivity

Reverse sensitivity issues are becoming an increasing problem for the horticulture sector as more people move into productive areas who do not have realistic expectations with regards to the noise that can occur as a result of primary production activities. Horticulture tends to be particularly susceptible to reverse sensitivity effects due to the location of highly productive land often being located near urban centres and/or the land they operate on being subject to demand for urban development.

For horticulture, reverse sensitive effects are a very real issue, which impacts on the ability of growers to productively use their land. Agrichemical spraying in terms of chemical use and noise, odour, time of operation and machinery noise, frost protection including by helicopter and frost fans, bird scaring devices and hours of operation can all be cause for complaint despite the effects of these activities being managed to meet regional plan requirements.

Residential and lifestyle development, as well as other commercial or sensitive activities (e.g. educational facilities, community facilities etc.) can result in:

- Increased pressure on crop rotations (for vegetable growing)
- Restricts opportunities for orchard establishment or expansion
- Increases land prices
- Competition for resources (e.g. water)
- Increased social tension due to complaints from neighbours about horticultural activities and resulting operational limitations on the grower reducing their economic viability and social licence to operate.

Not all effects can be internalised and the introduction of sensitive activities and urban development by rural production environments erodes the accessibility and utility of highly productive land. It is our experience that reverse sensitivity is a key planning consideration that is often overlooked is the reverse sensitivity effects on horticulture from urban encroachment.

Highly productive land

HPL is identified using the Land Use Capability (LUC) classification system and consideration of other factors such as:

- The size of the property
- Water availability
- Access to transport routes and appropriate labour markets.

HPL is a finite resource and intergenerational asset that is under threat in New Zealand – most significantly due to urban development, as reported in ‘Our Land 2021’ which states that the area of HPL that was unavailable for horticulture because it had a house on it increased by 54% from 2002 to 2019¹.

HPL can be lost directly to urban development and inappropriate subdivision creates reverse sensitivity issues

The importance of HPL, and the need to manage this natural resource strategically, was clearly articulated in the consultation on the proposed NPSHPL, including that the lack of clarity under the RMA means HPL is given inadequate consideration by local government³⁵:

“The value of this land for primary production is often given inadequate consideration, with more weight generally given to other matters and priorities. This absence of considered decision-making is resulting in uncoordinated urban expansion over, and fragmentation of, highly productive land when less productive land may be available and better suited for urban use. This is preventing the use of this finite resource by future generations... National direction on highly productive land could provide councils with a clearer framework for managing this resource and assessing trade-offs between competing land uses ...”

¹ <https://environment.govt.nz/assets/Publications/our-land-2021.pdf>

Submission on Change 6

Without limiting the generality of the above, HortNZ seeks the following decisions on Change 6 as set out below, or alternative amendments to address the substance of the concerns raised in this submission and any consequential amendments required to address the concerns raised in this submission.

Additions are indicated by bolded underline, and deletions by strikethrough text.

Provision	Support/ oppose	Reason	Decision sought
Definitions			
New - highly productive land	New	To align with National Policy Statement Highly Productive Land	Include definition of highly productive land from the National Policy Statement Highly Productive Land
Part two: Resource management issues, objectives and summary of policies and methods to achieve the objectives of the Regional Policy Statement			
2.8.1 Regionally significant urban and rural growth management issues	Support in part	Recognise domestic food supply and lower emissions food production	Amend 2.8.1 (2) to include: An imbalance of land supply, demand and uptake can have adverse economic and social effects yet it is very difficult to plan and predict. Inefficient patterns of land use and ad hoc development are difficult and costly to service and maintain. Unplanned growth and inefficient land use also have the potential to adversely affect rural production activities and to reduce the ability of versatile land to be used for a range of productive purposes <u>including food supply for New Zealand and</u>

			<u>transition to lower emissions food production</u>
Policy UB 14B	Support in part	HortNZ consider it important that urban development and productive land are considered together to provide a planned approach so new urban areas are designed in a manner that maintains the overall productive capacity of highly productive land.	Amend <u>Restricting urban activities outside urban environments and avoiding urban development on highly productive land</u>
Part three: Policies and methods			
Policy UG 7A	Support in part	HortNZ consider it important that urban development and productive land are considered together to provide a planned approach so new urban areas are designed in a manner that maintains the overall productive capacity of highly productive land and avoids reverse sensitivity effects	Amend to include <u>g. Reverse sensitivity effects from development are managed so as not to constrain land-based primary production activities on highly productive land</u> <u>h. Restricting urban and lifestyle activities outside urban environments</u>
Policy 18B Managing rural development and protecting versatile land	Support		Retain but give effect to amendments to in UG 7A
Policy UG 19B Providing for rural lifestyle activities	Support in part		<u>Amend to include Territorial authorities must avoid zoning highly productive land as rural lifestyle, except where:</u> a. <u>the overall productive</u>

			<p><u>capacity of the highly productive land will be enhanced, when considered on a district-wide basis; and</u></p> <p>b. <u>there are no other options available within the district to provide for a rural lifestyle zone on land that is not highly productive land; and</u></p> <p>c. <u>additional land is required for rural lifestyle purposes to provide a recipient zone for lots under transferable development rules.</u></p>
Policy UG 20B Managing reverse sensitivity effects on rural product activities and infrastructure in rural areas	Support	Support minor amendments but retention of policy	Retain
Policy UG 24B Managing reverse sensitivity effects on existing rural production activities in urban areas	Support	Support minor amendment but retention of policy.	Retain

Method 18: Structure plans for land use changes	Support in part		Amend to include <u>x. Show how reverse sensitivity next to rural productive land will be managed so as not to constrain land-based primary production</u>
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