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Subject: Submission to ECAN Plan Change 7
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Attachments: [MGUS Submission to ECAN PC7 13-Sept-19.pdf](#)

To whom it may concern,

Attached is McCain Growers Unincorporated Society - Submission to Proposed Plan Change 7

Regards,
John Jackson



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Name of Submitter: McCain Growers Unincorporated Society
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McCain Foods processes potatoes sourced from quality producers in the Mid and South Canterbury regions into A-grade French fries which are supplied to domestic and export markets. The McCain processing plant directly employs circa.150 full time employees and is one of the largest industrial employers of full-time employees in South Canterbury. The factory operates processing with a 24/7 process throughout the year, and also indirectly employs a large number of full-time people in support industries in South Canterbury. Our growers also contribute immensely to the South and Mid Canterbury economy with employment of staff, suppliers, services, and trades. All enhancing the economic and social wellbeing of the region. The capital expenditure into the Timaru site over the last 2 years has been over \$8 million. Future capital expenditure is planned as it has been consistently year on year over the last 25 years.

All potato suppliers contracted to McCain Foods are NZGAP or GlobalGAP certified. All undertake precision agriculture methods such as variable rate fertiliser application, auto-steer technology, soil moisture monitoring, aerial/drone imagery and technology to improve agronomic precision which is targeted at crop requirements. This is to ensure growers do not over use resources and result in negative environmental impacts. McCain Foods and our growers equally contribute to a Research and Development fund, to continuously improve production efficiency and environmental impact with new improved technologies and agriculture systems. This in turn minimises crop input to optimise yield without overusing fertiliser and water.

The estimated volume of water to produce 1kg of potatoes is 287 litres, to produce 1 litre of milk is 1,020 litres, 1 kg of beef requires 15,415 litres, and 1kg of chicken meat requires 4,325 litres of water. One hectare of potatoes can yield two to four times the food quantity of grain crops. The potato is the 3rd most important food crop in the world after rice and wheat in terms of human consumption.

McCain and our growers create diversity in the agricultural sector.

McCain Foods support environmental stewardship, and encourage all of our growers in environmental and social responsibility. McCain have programs in operation around energy, steam and water usage in our factories, and are involved in the Timaru District Council walking and cycling strategy around the Washdyke lagoon and wetland area.

To year ended December 2014 NZ exported 64,897 tonne of processed potato products with a value of \$78.9 million, and to year end December 2018 NZ exported 73,478 tonne with a value of \$101.6 million. This is an increase in volume of 13% and value of 29%. (Data provided by StatisticsNZ). By comparison the European top 5 potato producing countries increased export volume over the same period by 35%, and 36% in value.

So when we talk about feeding population growth, we simply need to increase productivity, therefore, "Land uses continue to develop and change in response to socio-economic and community demand", an objective of CLWRP.

This is a submission on the following proposed plan: Proposed Plan Change 7 to the Canterbury Land and Water Plan.

We could not gain an advantage in trade competition in making this submission.

The specific provisions of the proposal that my submission relates to are:

- Part A – Omnibus
- Part B – OTOP

My submission is that:

- Not all rural production activities are equal in value to the community or equal in environmental effect. The value of vegetable growing; including potato production for domestic and export food supply including food security and the ability to feed people in the future, is not reflected in proposed Plan Change 7, nor are the effects of climate change considered in maintaining the status quo of land use activity mix.
- A tailored approach is required for commercial vegetable production if land with high production value is to be realised for its food production purpose, while achieving catchment wide water quality improvements and other environmental benefits in the longer term.
- Rural production systems are very diverse with a wide range of fruits, vegetables and other crops being grown across the Canterbury Plains. Potato production systems rely on rotations; often enabled by sharing and leasing agreements. The current Canterbury approach has significantly degraded the ability to undertake new leases. Plan Change 7 presents significant further obstacles and requires amendment to avoid wider effects that are most likely unintended.

The investment in machinery required and knowledge for potato production is specialised, and therefore movement of producers into and out of the industry does not occur as it may do in some other crop production systems.

Farmers who lease land to Potato growers usually only supply one paddock on their properties annually. This high value crop supplements their annual income, to an acceptable level for their whole farming system. This has often been the difference between converting to dairying or, continuing with arable farming.

- The assessment process underpinning the proposed Plan Change 7, does not adequately provide for new farming operations to meet future food demand. Existing production is also at threat from the restrictions on movement of activities across property and catchment boundaries.

The ability for future investment and expansion will be jeopardised with the proposed Plan Change 7 unless appropriate limits and scientifically proven measuring technologies are used. This is required for 4.36A to be actionable.

We support 4.36A a. requiring commercial vegetable growing operations to operate to good management practise.

We don't support 4.36A, b. "avoiding the establishment of a new commercial vegetable growing operation, or any expansion of an existing commercial vegetable growing operations beyond the baseline commercial vegetable growing area, unless the nitrogen losses from the operation can be accommodated within the lawful nitrogen loss application to the new location", but this needs to be proven with a sound scientific process.

We also disagree with the statement: "The total area associated with the vegetable production has not changed significantly over the last 10 years."

We believe this is an incorrect statement as our production area has increased by 12% compared to the baseline commercial vegetable growing area, and we know of other

processing businesses and growers that have increased by substantial amounts, and are potentially looking to expand further. This has happened from a small base, and still has a very small impact. We estimate the annual area in total potato production in Canterbury to be 0.5% of the Canterbury Plains.

- We have concerns about the ability to accurately assess nutrient discharges from horticultural systems, specifically due to the perceived deficiencies in OVERSEER to model horticultural crops, and would support a more generic method for assessing nutrient losses. The potato sector is supporting a more accurate "direct measurement" based approach, that in our view is more appropriate and scientific.

This is supported by conclusions in the ECan Memo: Assessment of nitrogen losses from commercial vegetable operations in Canterbury:

"The relatively minor contributions from current land use mean that the loads associated with the leased land components of the activity are likely to be minor. The activity and its effects remain a challenge for Overseer, presenting issues in estimating both the actual nutrient losses as well as any effect of changes in management. There are a number of sources of error compounded in the modelling process, and most were not directly assessed, which means that the numerical estimates are subject to broad uncertainty envelopes."

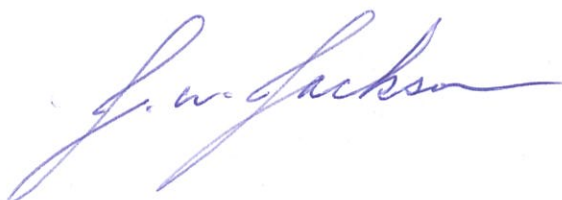
- The real water quality improvements come from the practices of our potato growers, adopting and managing discharges from the land (often only temporarily). We support requiring all growers to operate with good management practices.
We disagree with some of the assumptions in some of the options that have been discounted for managing commercial vegetable growing operations, such as "most vegetable crops have high nutrient losses".
- We propose provisions be added to enable existing areas of vegetable growing to move onto different land in a different catchment, to account for crop rotation, leased land arrangements and to enable growers to move to less environmentally sensitive locations.
- We also support the ability for Canterbury growers to be able to manage environmental issues collectively to improve the effectiveness of the response to water quality issues. We consider Plan Change 7 should enable collaborative or collective approaches to regulating potato production activities. This has been demonstrated as workable by the irrigation schemes and should not be expressly disallowed.
- We also object to some limitations being proposed on irrigation that would impact high value crops if irrigation restrictions or water is cut. This needs to be managed sensibly and sensitively.

Where this submission aligns with the PotatoesNZ and Horticulture NZ submissions, we support those submissions.

We wish to be heard in support of this submission.

If others make a similar submission, we will consider presenting a joint case with them at a future hearing.

Signature of submitter



Dated: 13-September-2019

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