

Guy Slater – ECan speech 2020

Hello my name is Guy Slater.

Potatoes NZ have submitted on behalf of potato growers across Canterbury.

I am here to help you understand what they are asking for and more importantly why they are asking. While I support their submission, I believe total flexibility around land use classes is needed. As well, I am here to help you as Commissioners and decision makers, give clear guidance through planning law without compromising environmental outcomes.

My physical residence is Geraldine. I am a third generation farmer and farm in partnership with my father Rodger. It is an arable operation where we have specialised in growing American and European Turf type Tall Fescues for the sod lawn market. We are also a Shareholder in Farmers Mill in Washdyke. Our farm produces wheat that is milled there to make flour. The flour is used primarily to make biscuits and bread for the internal market.

A significant point to add here is our home block has an effective area of 558 hectares with a very low environmental footprint. We are fully irrigated with 32L/second irrigation consent, 20 hectares of plantations, grass stands down for up to 5 years, we capture significant winter runoff in ponds to irrigate in summer, baseline N in the 20's, winter no livestock, have a consent to farm and lastly are unable to grow potatoes here as the soil type is too heavy to allow. It is a good story, exactly like my potato operation, few will have the ability to get their head around this – which is slightly sad.

I am married to Jane and have three children aged between 8 and 13 (two girls and one boy). A major goal of mine is to give my children the opportunity to farm as my father did for me – if any of them have the desire and drive to go farming. A succession policy has been implemented. My age is 46.

Jane and I own Crichel Down Potatoes. Crichel Downs owns 50% of McFlynn Potatoes the other partner in McFlynn is Hamish McFarlane – your previous speaker. Crichel Downs was born in 2004, McFlynn in 2013 – forgive me if those dates are incorrect by 1 year in terms of production and company status. I have been dealing with potatoes all my working life. I started work after achieving a BComAg at Lincoln University for a potato processor at Fairton in 1997. First as a Field Rep and then later moving to Field Manager. In 2004 I started growing potatoes for Talley's. The first year I grew 129 acres in 4 paddocks – my contract was for 3600m/t. The paddocks were all share farmed with 4 Farmers – 3 of which I still work with today and 1 moved into Dairy. Today the group has grown its farmer base to 25 – 30 farming families. All potatoes are grown on leased land. Although we do own two small blocks in Mid Canterbury. My business has totally been built around my founding growers and still is to this day. We are extremely grateful to our growers – as without them we would not have a business. Today we currently plant 50 paddocks of potatoes a year. Our group tonnage this year will be north of 51,000 gross tonnes. My 2 companies and the home farm have an annual turnover of 15 million dollars.

The market has changed drastically but the model within the company hasn't – our focus on yield and quality is the primary focus. We continue to focus on producing potatoes for french fry production cheaply. Hamish and I with McFlynn are a significant supplier to McCain's here in Washdyke. Crichel Downs major customer is Talley's with 3 – 4 other smaller customers including Proper Crisps in Nelson. Small volumes are exported for risk management purposes occasionally. Actually here today I have, still do or am starting partnerships with all the speakers presenting.

Though small in size, Robin Oakley and I have an idea regarding out of season production which could be very exciting going forward for Canterbury.

Basically my business is all about PEOPLE – my team beneath me, I stand on very broad shoulders. At this point I would like to make special mention of, the Potatoes NZ team, Simon Binnie my Operations Manager, my two fellow directors Jane and Hamish, my digging contractor Grant from Kinsman Contracting, my key permanent staff, my father and office administrator Tracy. And just as importantly, the Managers & Ag Managers at McCain's & Talley's – my key customers.

There are also key contract staff taking care of engineering, fertilizing and 3 spray teams that support the ship.

Second to people is land availability and the right to obtain that land. Land and region selection for outcome is critical. Why this is critical is we need outcomes that are as certain as possible in terms of risk management. We start planting early potatoes in the last week of August until 10th of September in Seafield. The reason for this is the lismores can be got on and worked at a difficult time of the year. We then move to slightly heavier ground in Wakanui. We are conscious we need to get good yields here but have the ability to get them out clean as well. Then we move to Eiffleton in mid to late September with earlies. This is heavy ground with some clay – the key here is to have them out by the 15th of March before storage starts or the weather breaks. We have 3 planting teams that involve 3 planters – including 2 x 6 rowers and 5 destoners. Around the 1st of October we plant for storage. We keep 1 planter in Seafield and send the second planter to Hinds and Westerfield in a circuit. The reason here is when we go to higher ground (ie above 80m to below 300m at Methven). We need to have hit our mid-point planting target by the 15th October, as late planted at higher altitude will mean immature potatoes that

don't hit target yields and quality for the customer. Around 28th of October to the 7th November we aim to finish Russet Burbank and Innovator for storage. During this date we come back to lower ground at Seafield ensuring finishing of crops in March.

After 7th November we plant Agria for storage in sheds or even ground storage for digging in June. We target Darfield as it is warmer, has good irrigation and is closer to market. We aim to have all potatoes planted by 20th November.

We have a larger geographic spread than most because of the following reasons – we are a larger operation than most, we are always looking for clean ground – this will give you 8T/ha for “free” to spread the risk in terms of hail, frost, dry/wet and pump or water restrictions in one area. We need to future proof operations. We want correct varieties matched with regions, soil types and target yield. Our digging months have been touched on. But broadly we start digging 15th of January and out 15th of June. After 15th of June the processors get fry discolouration due to decreasing ground temperatures. We cannot afford any potatoes not hitting the market – we regard this seriously, with 50 paddocks annually our profit margin is in the last 3 – 5 paddocks – depending on size, margins are closer than tight. But this is another matter entirely. If we begin leaving potatoes in the ground lease arrangements with farmers will begin to be strained.

Environmental management has been where big gains have been made, let's touch on that. In my first year we watered a Russet Burbank paddock 15 times, obviously a dry year, total applied water 600mm. Last season average applied water on the same variety, same farmer, was 30 times around 370mm was applied. Yields on that paddock in my first year equated to around 75m/t. Last season this farmer got 70m/t in his paddock. The reason for the drastic drop in water was the system had been changed from high pressure

Rotorainers to a Centre Pivot on a low pressure system allowing more frequent and smaller quantities of water applied. Today we measure everything we can around watering along with our buyers Agronomy team. I have 2 Agronomists that are capturing information. They are in the paddock 2 to 3 times a week. We are doing this for two reasons – for crop health reasons but secondly please understand we need to capture every movement in the paddock because the processor insists we do so from a crop diary perspective. But if we are share farming with our client any movement involves a cost to be captured as we are in partnership. Along with irrigation, cultivation, planting, spraying, fertilizing and digging every square metre will see 52 actions. The crops costs \$17,000.00 a hectare to grow making every action costs on average \$320.00 per hectare. If a Russet Burbank crop is emerged for 130 days that equates to 18 weeks – the team as previously mentioned will view the paddock at least twice a week – the view times will be an exact match of actions executed. We have captured every action with a view. That is what I call measuring – viewing every action. But most importantly having the ability to also ask the question if it is needed. Furthermore our drive is to reduce our footprint (like we have done with watering) by 10% with chemical and fertilizer applied. The driver here is twofold (a) reduce costs by \$1600.00/hectare and (b) reduce active ingredient/nutrient level by the same. Economic and environmental sustainability run hand in hand – all I am saying is I like breaking problems down. Regarding nutrition we specifically match target yield with NPK – meaning varieties with lower yields will receive less inputs. We soil test every paddock. We band all phosphorus with the seed piece at planting. The processors or company does petioles to measure nutrition through the year. We have applied a just in time approach when addressing N – meaning we only apply if needed. Further to this we know exactly how much N a potato plant

needs a day and provide it to them as they bulk. When it comes to Magnesium, Potassium and Sulphur we front load this 10 – 30 days after emergence, as the biomass the potatoes generates is early, extraordinary – especially when it comes to potassium.

Remember I do not own the land, I specifically want to put down exactly what the plant needs although this is difficult when considering P lockup – I often do self checks – soil testing after the potatoes are removed and compare those results with the starting tests. It is amazing how precise the program has got when considering we are removing 80Ts of product per hectare (ie 550kg k). Our aim is to hold the soil test the same after removal – excluding PH. We have evidence to suggest we are doing this. We are now applying less N than we ever have – dropping N at planting we are now at a stage we put more N on our wheat at home than our potato crops in Mid Canterbury.

The companies we operate within have a relatively low profile in many ways – so to speak here today is a big deal. It has been discussed, that to get good outcomes, we must table evidence if the status quo is not acceptable. I am not sure where this process is today in terms of finalised law but I raise my hand and ask to be heard. Further to this I would ask to help shape outcomes going forward for my operation and secondly for the potato industry as a whole in the wider Canterbury region.

I have high aspirations and plenty of opportunities in this amazing sector, we want to be ahead of the curve in terms of outcome and the only way to do this is to know what the curve looks like – I hope that has been explained today.

All I am asking here is please don't tell me how to do it, when to do it, where to do it or how much to apply as we have the answers already. Please can the Canterbury potato grower be exempt.

I am able to table any evidence required or answer any questions. Thank you.