In the matter of: Submission on proposed Essential Freshwater Package including:

- Action for Healthy Waterways Discussion Document
- Proposed National Policy Statement for Freshwater Management
- Proposed National Environmental Standard for Freshwater

And: Onions New Zealand
Submitter

And: Ministry for the Environment
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Contact: Personal details, Chief Executive Officer
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Dated: 30 October 2019
Overview

1. This submission is on behalf of Onions New Zealand in relation to the Ministry for the Environment proposed Freshwater Package including the Action for Healthy Waterways discussion document; Proposed National Policy Statement for Freshwater Management; Proposed National Environmental Standard for Freshwater.

2. Onions New Zealand will not gain a competitive advantage in trade competition through the lodgement of this submission.

3. Onions New Zealand represents New Zealand’s 85 commercial onion growers and 18 exporters. We export onions to 47 countries with a FoB value of $170 million this year. Domestic sales are approximately $30 million.

4. Onions are grown across the country from Northland to Southland on 5,296 hectares with the main growing regions being Pukekohe, Waikato, Canterbury, Hawke’s Bay and the Manawatu.

5. We are conscious that the population globally and domestically is growing and that we will need to increase our supply to meet increased demand for health requirements.

6. CVP occupies an estimated 0.3% of total land area in New Zealand\(^1\) but plays a vital role in the health and wellbeing of all New Zealanders. On this basis, we request that the Government prioritise access to affordable fresh produce for all New Zealanders in their consideration of the proposed Freshwater policies. It is fundamentally important that the policies take into account future land use requirements. As the climate changes and becomes more temperamental, having the ability to diversify land use and grow vegetables/onions in different regions/catchments will be extremely important. The regulations need to account for this.

7. We request that specific provision be made for CVP on highly productive land identified through the National Policy Statement for Highly Productive Land and that the Government recognise the unique situation our industry is in, in that our crop nutrient requirements are specific and to adjust these would either compromise yield or result in an unmarketable yield.

8. It is also essential that our need to rotate land is acknowledged. CVP operations cannot be sustained without the ability to rotate crops onto suitable highly productive land, or without access to required resources including nutrients and water. Crop rotation is an essential element for most vegetable production, to avoid and mitigate against soil pests and diseases.

9. Onions play an important role in required crop rotations, grown on the same area of land on average one in every four years and being interchanged with alternate crops including cover crops, to ensure both the sustainable management of our soil resource and crop health. It is a complicated interaction between plants and soil microbes, including preventing disease build up. What this means is, if rotations become restricted it may result in increased diseases for certain crops. For example, a disease which impacts lettuces may not be able to survive in a field of onions. By planting onions, it results in lower disease pressure for lettuces in future lettuce plantings and requires less inputs to control the diseases.

10. We have concerns surrounding the inclusion of the proposed DIN value and do not consider that there is adequate robust science or impact analysis undertaken to support the currently proposed bottom line. We have further concern around the identification of Schedule 1 catchments and the impact of these on CVP operations within these catchments. In particular, we are worried that required nutrient reductions (which cannot be accurately modelled at this time) may result in many of our grower enterprises becoming unviable in these areas. We

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\(^1\) As at 2016 less than 1 percent of New Zealand’s total land area was used for growing fruit and berries (0.5 percent or 120,894 ha) and vegetables (0.3 percent or 69,686 ha). Statistics NZ.
consider that this outcome contradicts the intention of the proposed National Policy Statement for Highly Productive Land.

11. The proposed provisions stand to have a major impact on our export revenue and the affordability of domestic supply. This in turn will have a direct impact on our communities. The vegetable sector, including onion production, is by and large 100% New Zealand owned. Vegetables have been grown in New Zealand since mankind first arrived. Nowadays the operators tend to be multi-generational families with a strong connection to the land. Vegetable growers take a long-term view on their businesses and want to preserve the land and water for future generations, leaving it in a better condition than the way they inherit it. These policies stand to not only impact onion growers, but also the supporting industries such as the onion breeders, agronomists, science community and wider service providers to the growers. We request that a full analysis of impacts including economic, social, cultural and environmental be undertaken by the Government and that policies be reviewed in light of the outcomes of this, prior to the introduction of any Policy or Regulation. Ideally a second phase of consultation would be undertaken.

12. We consider that the current freshwater proposals do not clearly acknowledge or distinguish the specific requirements of our complex but small sector. We recommend that specific provisions should be made for CVP operations as an essential industry. We support provisions utilising the existing and successful Good Agricultural Practice (GAP) schemes such as New Zealand GAP, and in particular, we support utilising the existing Environmental Management System add on to manage and audit Farm Environment Plans.

13. We envisage that GAP schemes would share certified grower ID’s with relevant regional council.

14. Overall, Onions New Zealand are willing to play our role in achieving improved freshwater outcomes. We support the general direction of the proposed Freshwater Package but consider that some clarification and modification is required for the current proposals to be workable and have provided specific feedback to this effect, within the body of this submission.

**Proposed National Policy Statement for Freshwater Management**

**Part 1: Preliminary provisions**

**Fundamental Concept Te Mana o Te Wai**

15. Onions New Zealand support the intention of Te Mana o te Wai, “the mana of the water”, with clarification surrounding the interpretation to ensure that regional implementation achieves the desired freshwater outcomes without the demise of community health and wellbeing. We consider that a framework for interpretation should be provided to ensure consistency in approach.

16. We consider that access to locally grown fresh produce should be specified as an essential need for human health and reflected as such, within the proposed Objective.

17. We consider that any required action should be undertaken at a rate that is sustainable as reflected in Policies below.
Part 2: Objective and policies

Objective

18. Onions New Zealand support the proposed objective with amendments indicated in red:
   a) first, the health and wellbeing of waterbodies and freshwater ecosystems; and
   b) second, the essential health needs of people including access to clean drinking water and to New Zealand grown fresh produce; and
   c) third, the ability of people and communities to provide for their social, economic, and cultural wellbeing, now and in the future.

Policies

19. Onions New Zealand support the proposed Policies with amendments indicated in red:
   Policy 3: The condition of waterbodies and freshwater ecosystems is systematically monitored over time, and action is taken to reverse deteriorating trends at a rate that is economically, socially, culturally and environmentally sustainable;
   Policy 13: Communities are enabled to provide for their social, cultural, economic and environmental wellbeing while managing freshwater in a manner consistent with Te Mana o te Wai and as required by the national objectives framework and other requirements of this National Policy Statement.

Part 3: Implementing Objective and Policies

20. Onions New Zealand support engagement with communities and tangata whenua but consider that a clear framework is required to ensure an effective, consistent and balanced approach.
21. We consider that where robust scientific data is unavailable, interim measures should direct regulators to gather reliable and comprehensive data on which to develop regulation. We request that the reference to ‘other sources’ be removed as this is open to interpretation.

Resolution sought:

22. Establish framework for regional council engagement with community and tangata whenua in giving effect to Te Mana o te Wai.
23. Amend NPS-FM to ensure that direction relies on robust scientific data and that the reference to ‘other sources’ is removed.

Subpart 3: Specific Requirements

Inland Wetlands (Section 3.15)

24. Onions New Zealand consider that the definition of natural wetland needs to be expanded to explicitly exclude sediment retention devices including sediment retention and water storage ponds, riparian buffers and constructed riparian edges to ensure clear interpretation within Regional Councils.
25. We consider that the size classification of 0.05ha should be extended to 2ha consistent with Landcare Research’s classification where a small wetland is considered to be <2ha and proposed wording should specify existing natural wetlands².

Resolution sought:

26. Onions New Zealand provide recommendations as indicated in red below.
   I. Definition of Natural Wetland to be amended to read:
      
      **Natural Wetland** means a wetland as defined in the Act (regardless of whether it is dominated by indigenous or exotic vegetation), except that it does not include:
      
      a. Wet pasture or paddocks where water temporarily ponds after rain in places dominated by pasture, or that contain patches of exotic sedge or rush species; or
      b. Riparian buffers and constructed riparian margins; or
      c. Sediment retention devices including sediment retention ponds and water storage ponds
      d. Constructed wetlands; or
      e. Geothermal wetlands
   
   II. Subpart 3.15(5) to be amended as follows:
   
   Every regional council must, in respect of existing natural inland wetlands, and may in respect of constructed wetlands:
   
   a. Identify and map existing wetlands in its region that are:
      
      i. 2ha or greater in size; or
      ii. known to contain threatened species; or
      iii. of a type that is naturally less than 0.05ha in size (such as ephemeral wetlands or springs); and

Section 3.19 Water Allocation

27. Onions New Zealand support the ability for grower enterprises to collectively manage water resources and in particular, we support direction being included to enable CVP enterprises to operate under a single consent. We consider that this is an essential component of crop rotation into the future.

Section 3.20 Accounting Systems

28. Onions New Zealand support the use of a freshwater quality and quantity accounting systems.

Resolution sought:

29. Improve or develop modelling software suitable for CVP. We ask that the Government contribute funding to assist with developing this system.

Part 4 Timing

30. Onions New Zealand are aware of the current overloading of regional councils. We have concerns regarding their inability to resource additional workload and consider that this may directly impact on a council’s ability to achieve the desired freshwater outcomes. We support utilising existing industry frameworks where industry knowledge and expertise can be utilised, while providing a resource saving for regional councils.

Appendices

Appendix 1A: Compulsory values

31. Onions New Zealand support the inclusion of Mahinga Kai as a compulsory value. We also support prioritising access to locally grown fresh produce as an essential need for the health of all New Zealanders.

32. We do not support the inclusion of the DIN bottom line and consider that there is a lack of robust scientific evidence to support this inclusion. We also consider that there has been a lack of assessment surrounding the impacts of the proposed new bottom lines, coupled with a very short consultation time.

33. We consider that only where robust scientific data is available, should catchments be identified as at risk, particularly with regard to Nitrogen and Phosphorous and the influences of groundwater fed streams.

Appendix 1B: Other values that must be considered

34. Onions New Zealand support irrigation, cultivation and food production being included as other values that must be considered but recommend that fresh produce production is identified and prioritised as an essential need for human health.

35. In our view, where land is identified as highly productive through the proposed National Policy Statement for Highly Productive Land (NPS-HPL), then water for irrigation should be prioritised.

Appendix 2A: Attributes requiring limits

DIN

36. Onions New Zealand do not support the inclusion of the DIN bottom line and consider that inadequate time for consultation has been allowed. A lack of robust data supports this inclusion.

37. We consider that where high nitrate-nitrogen stream catchments are identified, they are selected based upon sound and robust scientific data. We consider that this data should also consider groundwater effects on enrichment.

38. We recommend the removal of the word ‘rapid’ in relation to nitrogen reduction as this is open to interpretation.

39. We again point out the fact that we are bound by crop nutrient requirements which must be tailored and request that the Government allow for the specific requirements of the commercial vegetable production sector. Good Management Practices are the most effective tool for mitigation.

40. We consider that as currently drafted, the proposals surrounding nitrate nitrogen reduction could significantly impact on the viability of many of our growers.

Resolution sought:

41. We consider that further scientific support for the DIN bottom line is required.

42. We consider that additional time to consider impacts would be beneficial and to this effect, we seek a second round of consultation.

43. We consider that Schedule 1 catchments and additional catchments in the future should
only be identified where robust data is available, taking into account groundwater effects.

44. We request the removal of the word rapid in relation to reduction within Schedule 1 catchments as this is unclear and open to interpretation.

45. We request a pathway specific to CVP be defined due to the specific requirements of our unique industry.

**Sediment and Phosphorous**

46. Onions New Zealand consider that a full impact analysis is undertaken to determine social, cultural, economic and environmental sustainability of the new proposals relating to sediment and phosphorous.

**Proposed National Environmental Standard Freshwater**

**Part 2 Wetlands, Rivers and Fish Passage**

**Definitions for Subpart 1 Wetlands**

*Resolution sought:*

47. Onions New Zealand, based upon feedback already provided within this submission recommend as follows (in red):

III. Definition of Natural Wetland to be amended to read:

**Natural Wetland** means a wetland as defined in the Act (regardless of whether it is dominated by indigenous or exotic vegetation), except that it does not include:

a. Wet pasture or paddocks where water temporarily ponds after rain in places dominated by pasture, or that contain patches of exotic sedge or rush species; or

b. Constructed riparian margins and riparian buffers; or

c. Sediment retention devices including sediment retention ponds and water storage ponds

d. Constructed wetlands; or

e. Geothermal wetlands

IV. Subpart 3.15(5) to be amended as follows:

Every regional council must, in respect of **existing** natural inland wetlands, and may in respect of constructed wetlands:

a. Identify and map **existing** wetlands in its region that are:
   i. 2ha or greater in size; or
   ii. known to contain threatened species; or
   iii. of a type that is naturally less than 0.05ha in size (such as ephemeral wetlands or springs); and

**General earth disturbance**

48. We consider that the proposed rules need to provide exemption for existing CVP operations which could unintentionally be caught up in these rules as the mapping and identification of natural wetlands is undertaken around our current and already established operations.
Resolution sought:

49. Amend all earth disturbance rules to exclude existing Commercial Vegetable Production Activities that are operating in accordance with Good Management Practices (GMP).

Earth disturbance for drainage

50. Onions New Zealand oppose this provision. As described above, we consider that the proposed rules need to provide exemption for existing CVP operations which could unintentionally be caught up in these rules as mapping and identification of natural wetlands is undertaken around our current and already established operations.

Resolution sought:

51. Amend all earth disturbance rules to exclude existing Commercial Vegetable Production Activities that are operating in accordance with Good Management Practices (GMP).

Definitions for Part 3 Farming

52. Onions New Zealand seek clarification of definitions for farm, horticultural farm and commercial vegetable production as these are currently interlinked and confusing. In our view, this linking of definitions unintentionally includes CVP into some pastoral farming provisions e.g. intensification rules relating to irrigation.

Resolution sought:

Onions New Zealand recommend definition clarification as discussed above.

Intensification

53. We request that definitions need to be updated as discussed above. In relation to rules specified for Irrigated Farming, CVP would currently be included as a horticultural farm despite having a distinct rule framework provided in Section 36. It is important to note that irrigation is already managed through a consenting framework and is in fact a mitigation tool for CVP in relation to nutrient management.

54. With regard to section 36, we support Option 2 with the exclusion of the word above as this is unclear in meaning and open to interpretation. We recommend that CVP enterprises should operate in accordance with Good Management Practices.

55. Onions New Zealand support the use of a Farm Environment Plan with a Freshwater Module, managed and audited through the GAP framework.

Resolution sought:

56. Onions New Zealand support existing CVP operations being considered a Permitted Activity but feel that any expansion should be a Restricted Discretionary Activity subject to:
   a. Being registered with a GAP scheme; and
   b. Having a certified Freshwater module in Farm Plan including mitigation measures to avoid contaminant discharges into freshwater or into land where it could get into water that is independently audited through a GAP scheme; and
   c. Operating in accordance with Good Management Practices; and
   d. Being located on land identified as Highly Productive Land
Subpart 3 – Freshwater module of farm plans

57. We support the use of tailored Farm Environment Plans (FEP’s) with Freshwater Modules. We consider that these should be industry/grower led and audited by an approved and suitably qualified and experienced Farm Environment Planner under GAP framework.

58. We do not support the inclusion of point 3(b) in relation to the Hazardous Activities and Industries List. We consider that this inclusion may result in a full Regulation 6(2) assessment under the National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health Regulations 2011 being required, as an unintended consequence. We are also aware that the majority of CVP land would be considered HAIL land. We consider that the focus within this Plan should be on guiding on-farm management in a tailored way to ensure GMP is adopted and that water quality outcomes are achieved. Any inclusion of specific areas should be relevant to the outcomes being sought.

Conclusion

59. Onions New Zealand is grateful for the opportunity to provide feedback on the proposed Freshwater policies and regulation.

60. Onions New Zealand representing multi-generational growers supports the overall objectives of improving the environment, but believes some adjustments are required in what is proposed to ensure we can continue operating. We are committed to working with both Central Government and Regional Councils to achieve these outcomes.

61. We support submissions lodged by the Pukekohe Vegetable Growers Association and Horticulture New Zealand.