

TO: Northland Regional Council

SUBMISSION ON: Draft Long-Term Plan

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1. The kiwifruit industry in New Zealand

The kiwifruit industry is a major contributor to regional New Zealand returning \$2 billion directly to rural communities in 2019/20. There are 2,800 growers with 13,000 hectares of producing orchards. There are 10,000 permanent employees and up to 25,000 seasonal jobs during the peak season. The industry is expected to grow its global sales to \$4.5 billion by 2025 which is an increase from \$3.1 billion in 2018/19.

2. Kiwifruit in Northland

Northland's kiwifruit production covers 467 hectares and returned \$76 million to local communities in 2019/20. Europe and China are the region's biggest export markets (taking about 70 percent of the crop) while Japan takes about 25 percent. It is also sent to countries such as Hong Kong, the United States and Taiwan. Packing generally takes place in Kerikeri, or fruit is trucked to packhouses in Auckland or the Bay of Plenty

3. General Comments

Thank you for the opportunity to submit on Northland's Long-Term Plan. NZKGI has drafted this submission with input from Kiwifruit Vine Health.

4. Water Health and Resilience

Sustainability is a key driver in the New Zealand kiwifruit industry - both in terms of our returns and our impact on communities and the environment. This is why the industry has developed a water strategy¹ to protect and enhance water resources. This includes looking at how we use water, how we can do so in the most sustainable way, and how we can gather data to measure our progress and improve. NZKGI supports the principles of Te Mana of Te Wai, and this approach is reflected in the strategy.

While the government has chosen to make the Freshwater Module of a Farm Plan (FW-FP) compulsory for horticulture properties over 5 hectare in size, the industry has agreed to apply this to all kiwifruit orchards as part of our commitment to protecting water quality.

¹https://www.nzkgi.org.nz/wp-content/uploads/2020/09/J002013_Water_Strategy_Document_Update_R2_Final_WEB_Small.pdf

The industry is applying the FW-FP across all orchards regardless of size and Zespri Gap will be the mechanism for how FW-FP will be delivered. Zespri Gap is an industry assurance programme and is based on the internationally recognised GLOBALG.A.P. Standard and incorporates additional elements to meet customer expectations.

A seven-year project by Plant & Food Research to measure nutrient and phosphorus losses through draining and run-off water on seven Bay of Plenty orchards is now in its fifth year. The project was initially set up in 2016 to measure nutrient losses and was expanded to measure runoff and phosphorus losses on four of those orchards. The data from these seven sites forms the basis of modelling being developed. Modelling for a specific catchment reflects the local environment for soil type, rainfall and an average nutrient application. The data is used to inform extension activities and nutrient modelling and to inform growers about actions they can take on their orchards to reduce their impact on freshwater. The findings on P losses are preliminary and will be verified as more data comes in.

Modelling has been completed for Northland with an average nutrient loss value of 13.7 kg N/ha/yr.

Table 1: Modelling data for Northland

kg-N/ha/yr

	Soil type	HW	G3	Weighted by hectares
Northland	Hukerenui_loam	14.6	11.4	12.1
Northland	Kerikeri_friable_clay	23.0	16.0	17.6
Northland	Kerikeri_silt_loam	11.3	8.6	9.2
Northland	Okaihau_gravelly_clay	8.0	6.0	6.5
Northland	Wharekohe_silt	11.8	10.3	10.6
	Average	13.7	10.5	11.2
	Maximum	23.0	16.0	17.6
	Minimum	8.0	6.0	6.5

Warm temperatures and excellent soils provide the Far North with clear advantages for growing kiwifruit however having access to water is essential. NZKGI supports the work of Te Tai Tokerau Water Trust who are using funding from the Provincial Growth Fund to develop up to four water storage reservoirs and delivery systems. The Matawii Reservoir will support the horticulture sector by allowing up to 7000ha of new development and provide drinking water once completed.

NZKGI supports the \$6.9m water health expenditure option over the next three years which will go towards supporting projects like:

- Implementation of Te Mana o Te Wai
- Modelling and mapping groundwater
- Creating systems to manage increasing amount of data
- More resourcing for water analysis

NZKGI supports increased soil monitoring and mapping and an increase to the landowners fund to protect waterways.

NZKGI supports the \$5.28 water catchments expenditure option over the next three years

5. Bio Security

Northland Regional Council has named wild kiwifruit (*Actinidia spp.*) as an eradication pest within the [Northland Regional Pest and Marine Pathway Management Plan 2017-2027](#). Kiwifruit Vine Health (KVH), representing the kiwifruit industry, thanks Northland Regional Council staff and contractors for on-going surveillance, undertaking compliance when required, and for working in conjunction with KVH to eradicate all identified wild kiwifruit infestations in Northland region.

KVH also supports work undertaken by Northland Regional Council, and assistance with collaborative programmes, to prevent any further spread of harmful soil-borne pathogens, such as kauri dieback. KVH supports programmes to raise awareness, prevent the movement or spread of soil which may contain harmful pathogens to the kiwifruit industry (such as *Phytophthora* species), including on footwear and machinery.

KVH requests that Northland Regional Council continue to resource workstreams for wild kiwifruit eradication and promoting good hygiene practice (for people and machinery) to prevent the spread of soil-borne pests.

NZKGI supports the \$2.5m bio security expenditure option over the next three years

6. Biodiversity

NZKGI supports council's work in the development of a Regional Biodiversity Strategy and action plan.

NZKGI supports the \$567k biodiversity expenditure option over the next three years

7. Climate Change

A report by Local Government [Vulnerable: The quantum of local government infrastructure exposed to sea level rise](#) looked at the infrastructure exposed to sea level rise found that a range of infrastructure would be exposed at 0.5m

Table 2: Marine facilities exposed within various increments of sea level rise

Facilities - Marine	Quantity 0.5	Quantity 1.0	Quantity 1.5	Quantity 3.0
Ports				
<i>National</i>	4	4	5	6
North Island Total	4	4	5	5
P1- Northland Region	2	2	2	2

Table 3: Airports exposed within various increments of sea level rise

Airports	Quantity 0.5	Quantity 1.0	Quantity 1.5	Quantity 3.0
<i>National</i>	3	3	3	5
North Island Total	3	3	3	4
P1- Hawke's Bay Region	1	1	1	1
P2 - Auckland Region	1	1	1	1
P3- Northland Region	1	1	1	1

Table 4: Bridges exposed within various increments of sea level

Bridges	Quantity 0.5	Quantity 1.0	Quantity 1.5	Quantity 3.0
<i>National</i>	185	287	359	68
North Island Total	130	186	222	380
P1- Waikato Region	47	58	67	104
P2- Northland Region	37	53	62	106
P3- Bay of Plenty Region	31	46	52	90
South Island Total	55	95	137	302
P1- Canterbury Region	25	48	68	136
P2- Otago Region	20	27	39	65
P3- Nelson Region	5	12	18	34

The report set out as number of recommendations which NZKGI supports and asks that council prioritises:

- Highlight exposed infrastructure for council members and public consideration
- Improve coordination with stakeholders to prioritise “lifeline” roads and associated infrastructure
- Perform research and analysis to determine options for priority roads
- Engage with both central government and private businesses to address alternatives and costs; and
- Ensure planned levels of service and suitability of location are included in long-term planning.

A report by MfE [Preparing for Coastal Change - A Summary of Coastal Hazards and Climate Change Guidance for Local Government](#) found that under a 0-1.5m sea level rise the impact on roading and rail infrastructure would be a reduction in the network of:

- 5km of rail
- 83 km of local roads
- 10 km of arterial roads

The report also found that communities, councils and infrastructure providers will need to ensure present knowledge of the increasing future risk and the evolving consequences are embedded in key private and public decisions now.

Northland’s 2019 kiwifruit harvest produced 5.1 million trays and predictions for the 2021 harvest correspond into the following freight movements:

- 66% of fruit picked in Northland will be trucked to Marsden Point and loaded directly onto dedicated service lines
- 31% of containers are trucked to Auckland Metroport and then put-on trains down to the Port of Tauranga to be loaded onto container vessels
- 3% are trucked to the Port of Tauranga.

From Whangarei to Kerikeri, Northland's kiwifruit industry is steadily increasing which will result in increased freight movements on the state highway network and local roads.

While climate change is considered in the LTP, solutions to mitigate the repercussions are missing. NZKGI supports an aggressive and coordinated approach to address the recommendations to ensure the ongoing connectivity of the roading and infrastructure network and would therefore like to see council be more aggressive in their approach.

NZKGI supports the \$2m climate change expenditure option over the next three years

8. Rate increase

A 19.8% rates increase is being proposed for the 2021/22 year followed by 14.5% in 2022/23. Council has proposed two rate increases for 2023/24 - 10% and 11.3% (page 53). It is not clear what option the proposed rate increases are for. This needs to be made clear.

In relation to the 19.8% rates increase, NZKGI is responding on behalf of kiwifruit growers only, however it is acknowledged that this is a substantial increase that some communities may find challenging. NZKGI agrees that there is much to be done in Northland particularly on environmental matters and supports a rate increase to fund this work however finds that the proposed increases are excessive, and we would like to see a greater use of cost-benefit analysis to ensure significant new spending provides benefits to the region that outweigh the costs.