

SUBMISSION ON

Review into the Future for Local Government

28 February 2023

To: Review Panel

Name of Submitter: Horticulture New Zealand

Supported by: Citrus NZ, NZ Asparagus Council, Onions NZ, Strawberry Growers NZ, Summerfruit NZ, Tāngata Huawhenua Maori Horticultural Council Aotearoa Inc, Te Awanui Huka Pak Ltd, Teviot Fruit Growers Association, Tomatoes NZ

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OVERVIEW

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Our submission

Horticulture New Zealand (HortNZ) thanks the Review Panel for the opportunity to submit on the *Review into the Future for Local Government Draft Report* and welcomes any opportunity to continue to work with the Panel and to discuss our submission.

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 fruits 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.



Executive Summary

Wellbeing Through Food

Food security is a nationally significant issue which needs to be addressed at a strategic level at all scales of governance given its centrality to human health. Access to food affects all four wellbeings (social, economic, environmental, and cultural), but barriers to access, especially cost, proliferate. This makes food security a prime example of a wicked problem that could be tackled with an integrated planning approach. Currently, food is only mentioned in the *Future for Local Government Report* in relation to food waste and food rescue, which is a lost opportunity to strategise around such an essential element of human health. Local governments could be innovators working across land use, resource management, nutrition education, and health care to improve access to healthy food for their communities. The first step on the path from seeds in the soil to full to stomachs is enabling fruit and vegetable growing.

Councils can also partner with industry to play a role in developing a horticulture workforce as part of a just transition to a low-emissions economy. Urban planning can be leveraged to reduce the prevalence of food swamps and food deserts - physical urban spaces devoid of healthy food or food at all.

HortNZ supports the transition of councils from slow-moving bureaucracy to more responsive, innovative bodies, as long as there are appropriate checks and balances on policy processes. The investment that goes into horticulture takes decades - deciding to buy trees and plant variety licenses, investing in water infrastructure, or developing low-emissions glasshouse heating systems all require confidence that these investments will pay off in the long run, well beyond the temporal scale of changing political administrations. Local government can be the enabler and champion of local food production, making the local food system resilient to regulatory or environmental shocks while providing healthy accessible food to the community.

Under the new RMA reforms, local councils will have a less direct role in resource allocation, but they will be able to bring their visions to regional planning committees. One way to assert the influence they will have is through economic development project hubs that maximise wellbeing co-benefits. There is potential for councils to take on innovative, collaborative projects that attract talent and economic investment to their regions while providing for national outcomes like food security.

Submission

1. Food Security

Food security is a nationally significant issue which needs to be addressed at a strategic level at all scales of governance given its centrality to human health.

Food insecurity is both pervasive and detrimental in New Zealand, linked with poor physiological health outcomes and psychological distress¹. 174,000 (19 percent) of all children in New Zealand live in food-insecure households, according to a 2019 Ministry of Health study analysed household food insecurity². There are complex social and economic reasons why people struggle to meet their nutritional needs. This makes food security a prime example of a wicked problem that could be tackled with an integrated planning approach. Local governments could be innovators working across land use, resource management, nutrition education in schools and for adults, and health care to improve access to healthy food for their communities. The first step on the path from seeds in the soil to full stomachs is enabling fruit and vegetable growing.

1.1. Horticulture and food security for New Zealanders

Vegetables and many fruits are produced here in New Zealand, for New Zealanders. Over 80 percent of vegetables grown in New Zealand are for domestic consumption. Deloitte's report on the 'Pukekohe Hub'³ described three distribution channels: retail, food service and exports. In Pukekohe, the most heavily used channel was retail, which distributes 83 percent of produce to supermarkets and grocers where the fresh vegetables are bought by people and families.

Similarly, of the ten key vegetables that are staples of New Zealand diets, the vast majority produced in New Zealand are consumed or processed within the country.⁴ Most vegetables imported to New Zealand are processed, which means that we rely on our own growers for fresh vegetables.

Many fruit crops are also grown mainly for the domestic supply, including nectarines, peaches, plums, feijoas, mandarins, oranges, tamarillos, and strawberries.⁵ Fruit growing contributes significantly to the local economy. For instance, the domestic citrus industry alone was worth \$67 million from 2021-

1 [The association of food security with psychological distress in New Zealand and any gender differences](#), Social Science & Medicine 2011

2 Ministry of Health. (2019). *Household food insecurity among children, New Zealand Health Survey*

3 The growing area that straddles the Auckland and Waikato boundaries and is a key producer of vegetables in New Zealand.

4 KPMG, 2017 New Zealand's domestic vegetable production: the growing story.

5 FreshFacts 2020

2022.⁶ Fruit growing regions like Tairāwhiti Gisborne support entire communities around horticultural work. Domestic supply also allows us to consume seasonal fruits all year round. New Zealand's location in the Southern Hemisphere means that we can eat oranges in any given month only because we produce our own in the winter months and import during the Northern Hemisphere winter.⁷

For most vegetable crops, the domestic market is the primary market, but many growers produce export crops within their rotations for practical (soil health) and economic reasons. For example, onions are predominately grown for export, but growers rotate them with other vegetable crops to promote soil health. Export income provides greater economic resilience for those growers producing vegetables for domestic consumption.

The regulatory burden on growers is expensive, and if produce prices go up, New Zealanders will feel the impacts. An Otago University study recently found that the health consequences of an increase in vegetable prices of 43 - 58 percent,⁸ would be a loss of 58,300 - 72,800 Quality Adjusted Life Years and health costs of \$490 - \$610 million across the population.⁹ Inconsistent, ever-changing, or competing regulatory demands also have a mental health strain on growers and stifle innovation.

There is precedent for giving more flexibility to horticulture in planning requirements - the Ministry for the Environment *Action for Healthy Waterways* report specifically excluded horticulture from intensification rules within the national environmental standards (NES) for freshwater "to ensure the security of supply of commercial vegetables to New Zealanders" and to allow for further development of vegetable supply to meet population growth.¹⁰ By recognising the importance of horticulture for resource and land use over other intensifying industries, central government showed that the burden of environmental regulation can be redistributed to protect domestic food security first.

Regional plans, however, have not generally provided for the expansion of vegetable growing for food security. The recent Wellington Natural Resources Plan chose a stricter path than the NES freshwater and added intensification rules for commercial vegetable growing within the Wellington Region,¹¹ despite Wellington's near total dependence on other regions to supply vegetables for their population.

6 Market Access Solutionz Ltd, "Citrus market monitoring 2021-2022: Final Report to Citrus New Zealand" July 2022

7 Market Access Solutionz Ltd, "Citrus market monitoring 2021-2022: Final Report to Citrus New Zealand" July 2022

8 <https://www2.deloitte.com/nz/en/pages/primary/articles/pukekohe-hub.html>

9 www.hortnz.co.nz/assets/Environment/Reports-research/The-health-and-health-system-cost-impacts-of-increasing-vegetables-prices-over-time.pdf

10 [Action for healthy waterways section 32 evaluation report \(environment.govt.nz\)](#), pg. 109

11 <http://pnrp.gw.govt.nz/assets/Uploads/9-Chapter-5.2-and-5.3-Discharges-to-land-and-water-use-Appeal-version-2022-FORMATTED.pdf>

Therefore, it is essential that the mission of local government should include enabling the supply of fresh fruits and vegetables to maintain domestic food security and improve wellbeing for communities.

2. Integrated Planning

The government has a recent emphasis on the four wellbeings (social, economic, environmental and cultural). You could plot any policy topic on a graph between these four categories, with wellbeing at the centre (Figure 1). Policies might be best tackled at different scales, from local to national. Policy topics that span these levels are best suited to a coordinated approach throughout the system between local, regional, and national government, especially given that direction from central government and implementation by local government have been at odds under the current system. The food system is a prime example of one of these interdisciplinary, cross-departmental topics, which can be analysed from the household kitchen table scale all the way up to the global supply chain. Food affects all different types of wellbeing. The following examples are only the beginning:

- food security (access to enough food to eat) and nutrition affect human health
- full stomachs improve educational outcomes
- breaking bread with friends and whānau and cooking traditional recipes brew social and cultural connection
- the cost of groceries is central to the cost of living
- producing low-emissions food is a strategy for climate change mitigation
- local government can support growers and lower their carbon footprints through procuring local food whenever possible
- there are meaningful career development possibilities in growing fruits and vegetables that can contribute to financial wellbeing
- employment and pride in local industry contributes to community wellbeing

Tackling all of these angles to make the most of our domestic food system requires thinking at a systems level as well as a relational level with our families and community members.

The *Future of Local Government Report* imagines local councils as dynamic, flexible bodies that can cooperate with their peer councils, reach their constituents, and convey local concerns to national policymakers. If this is the way forward, then they will be well-positioned to take on the challenge of enabling a resilient domestic food system.

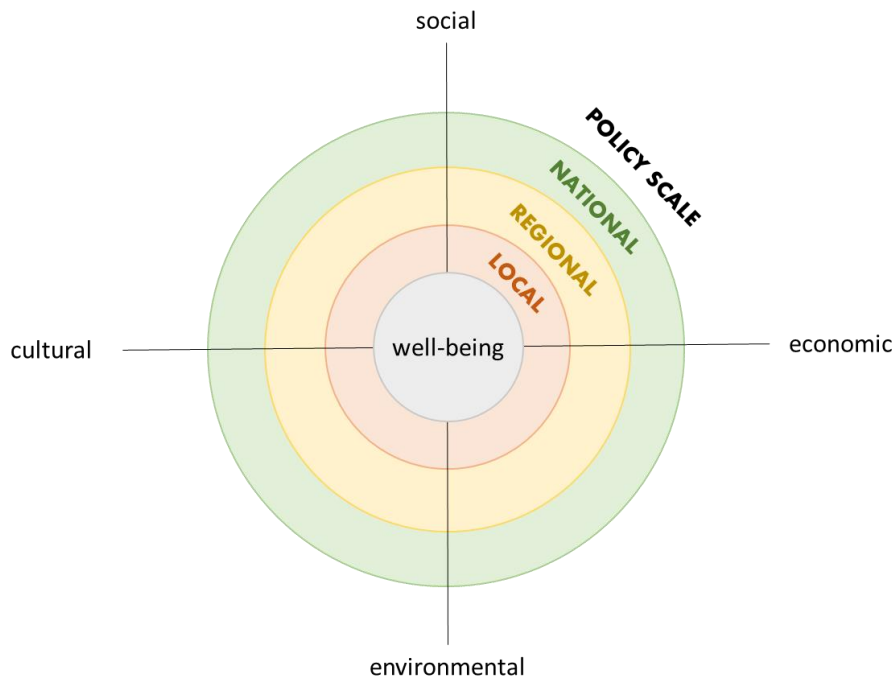


Figure 1. Food policy would fall across all four wellbeings and all policy scales, so it requires an integrated approach.

2.1. Urban Planning for Food Access

While rural planning decisions have an impact on the supply and cost of production of healthy food, urban planning decisions influence food accessibility. Many areas in New Zealand are developing food swamps - where people have high exposure to low-nutrition food - and food deserts - where there is limited access to healthy food.¹²

Urban environments and planning decisions have significant implications when it comes to addressing health outcomes associated with the supply of healthy food. Notably, the price of land values and zoning measures play an important role in the location of food swamps. For example, lower rental costs and restrictions on business locations may encourage fast food businesses to cluster in highly deprived areas. Additionally, public resistance to certain businesses in affluent areas may compound such spatial patterns.¹³

There is also potential for hyper-local food production across the urban-rural divide using innovative systems like vertical farming and hydroponics which make efficient use of available space. These growing methods, which have low-

12 Sushil, Z., Vandevijvere, S., Exeter, D. J., & Swinburn, B. (2017). Food swamps by area socioeconomic deprivation in New Zealand: A national study. *International Journal of Public Health*, 62(8), 869-877.

<https://doi.org/10.1007/s00038-017-0983-4>

13 Wiki J, Kingham S, Campbell M. Accessibility to food retailers and socioeconomic deprivation in urban New Zealand. *N Z Geog.* 2019;75:3-11. <https://doi.org/10.1111/nzg.12201>

emissions and are resilient in the face of a changing climate, will only be possible with flexible planning requirements.

3. Specific Response to Report

3.1. Executive Summary

Of the five key shifts outlined in the introduction, our submission is most concerned with 3. *Stronger focus on wellbeing*, which calls on councils to “[focus] on holistic strategies to improve the wellbeing of their communities”.¹⁴ HortNZ takes wellbeing to mean economic, social, environmental, and cultural wellbeings, which include physical human health.

This wellbeing theme imagines councils as “systems networker[s]” who “coordinate with other councils and organisations to achieve value and outcomes that would not be possible individually”.¹⁵ HortNZ supports this vision. While food supply is critical for New Zealand as a whole, its importance is less often recognised at the local level when it comes to resource allocation and enabling policies for horticulture. This is part of a “not in my backyard” phenomenon wherein local decision-makers are less permissive of rural food production activities due to noise, environmental, or aesthetic concerns. They want the food produced, just not “here”. It takes that wider collaborative lens to see that food spans arbitrary district or regional boundaries as a necessary industry to feed people across New Zealand.

This wider collaborative approach to the food system is not new to New Zealand. Māori gardening has had a “strong cooperative component” for centuries,¹⁶ and gardening efforts have been “as much about social needs, hospitality, obligations, and aspirations” as they are about health and physical wellbeing.¹⁷ Food cultivation nourishes our bodies but also our cultural ties and relationships with others. Truly integrated food planning requires a reconciliation in the eyes of policymakers between the image of horticulture as an industry and as a connecting force between people and communities. When you enable the industry, you enable all of the wellbeings that come along with growing and sharing food.

With integrated planning, local councils can examine how prioritising the production of healthy food would spill over into management of water, soil, highly productive land, zoning, and more.

14 [Draft report – He mata whāriki, he matawānui \(futureforlocalgovernment.govt.nz\)](#), pg. 36

15 [Draft report – He mata whāriki, he matawānui \(futureforlocalgovernment.govt.nz\)](#), pg. 37

16 Furey, Louise. *Maori gardening: An archaeological perspective*, October 2006. Department of Conservation, pg. 120.

17 Furey, Louise. *Maori gardening: An archaeological perspective*, October 2006. Department of Conservation, pg. 9.

3.2. Chapter 5: Local government as champion and activator of wellbeing

3.2.1. RECOMMENDATIONS

14. That local government, in partnership with central government, explores funding and resources that enable and encourage councils to:
 - a. lead, facilitate, and support innovation and experimentation in achieving greater social, economic, cultural, and environmental wellbeing outcomes
 - b. build relational, partnering, innovation, and co-design capability and capacity across their whole organisation
 - c. embed social/progressive procurement and supplier diversity as standard practice in local government with nationally supported organisational infrastructure and capability and capacity building
 - d. review their levers and assets from an equity and wellbeing perspective and identify opportunities for strategic and transformational initiatives
 - e. take on the anchor institution role, initially through demonstration initiatives with targeted resources and peer support
 - f. share the learning and emerging practice from innovation and experimentation of their enhanced wellbeing role.

HortNZ supports the transition of councils from slow-moving bureaucracy to more responsive, innovative bodies. We caution, however, that input from the community and members of the public will still be a necessary check on local government authority. Regular reviews of how effective policies are once they are in practice should be a quality-check on programme development.

Innovation and experimentation in integrated planning for wellbeing is an exciting, ambitious mission if used to better manage complex problems that extend beyond the purview of any one department. What if zoning, resource management, community programs like nutrition education in schools and adult cooking classes were enabled through a common lens of food security for human health? These varying approaches to governance pivot around the same axis of improving wellbeing.

In terms of social/progressive procurement, there is an opportunity for councils to prioritise purchase of New Zealand-produced food products to support our local economy and reduce the carbon footprint from eating imported food.

3.2.2. QUESTIONS

1. What feedback do you have on the roles councils can play to enhance intergenerational wellbeing?

Councils can act as anchor institutions that enable fruit and vegetable production beyond political timelines. Ministry of Health data indicates that only 33.5% of adults and 44.1% of children are meeting fruit and vegetable intake guidelines.¹⁸ For families living in deprived areas, increases in fruit and vegetable prices compel them to substitute the purchase of healthier whole fruit and vegetables with cheap, energy-dense and nutrient-poor products.¹⁹ There is an opportunity to resolve this nutrition crisis through intergenerational nutrition education paired with reducing produce prices through enabling horticulture. We can make fresh, healthy produce a viable alternative to unhealthy food if the barrier to access is lowered.

The investment that goes into horticulture takes decades – deciding to buy trees and plant variety licenses, investing in water infrastructure, or developing low-emissions glasshouse heating systems all require confidence that these investments will pay off in the long run, well beyond the temporal scale of changing political administrations. Local government can be the enabler and champion of local food production, making the local food system resilient to regulatory or environmental shocks while providing healthy accessible food to the community.

The horticulture industry is already a major employer in some communities, and local government has a responsibility to support that existing local economy for the wellbeing of their constituents – both the workers and owners of operations who have invested in their skills and infrastructure to keep providing healthy food. Councils can also partner with industry to play a role in developing the horticulture workforce as part of a just transition to a low-emissions economy and build economic development hubs centred on wellbeing outcomes like healthy food access.

2. What changes would support councils to utilise their existing assets, enablers, and levers to generate more local wellbeing?

Under the new RMA reforms, local councils will have a less direct role in resource allocation, but they will be able to bring their visions to regional planning committees. One way to assert the influence they will have is through economic development project hubs that maximise wellbeing co-benefits.

There is potential for councils to take on innovative, collaborative projects that attract talent and economic investment to their regions while providing for national outcomes like food security. For instance, the case study below describes

18 New Zealand Health Survey Data. Accessed: https://minhealthnz.shinyapps.io/nz-health-survey-2019-20-annual-data-explorer/_w_b6ac76b1#!/explore-topics

19 Rush, E., Savila, F., Jalili-Moghaddam, S., & Amoah, I. (2018). Vegetables: New Zealand Children Are Not Eating Enough. *Front. Nutr.*

a vision for a Pukekohe Vegetable Centre for Excellence that would bring together growers, universities, iwi, councils, and private companies to push the boundaries of sustainable food production. Projects like this one could determine new uses for horticultural by-products like onion skins to design waste out of the system and develop biosecurity strategies to protect our local food supply. That type of work requires financial investment, as well as space and license to operate.

Perhaps one council might want to develop a geothermal hub for glasshouses, to bring work to their region and harness their existing renewable energy source to replace fossil-fuel driven heating sources. Building a project like that from the ground up would require long-term vision and collaboration between the economic development and policy arms of local government.

Case Study: Pukekohe Centre for Vegetable Excellence

The vegetable sector is currently developing a proposal for a Pukekohe Research Farm and Centre of Excellence. The horticulture industry is striving to improve the environmental outcomes of our work while in the midst of a skill and labour shortage. The industry is stretched by increasing costs, which make funds for agri-tech or research scarce. The Centre for Vegetable Excellence aims to tackle all of these problems while partnering with growers, iwi, councils, the Crown, industry bodies, universities, and private companies to design a space for growth. The hub will carry out vegetable research trials for economic and environmental benefit, foster grower capability through extension services, and provide a hands-on experience for academic learning.

The hub will be funded by government and industry and governed by representatives of funders and mana whenua. Private companies and businesses will be able to buy-in research services, while basic plots with farming equipment will be available for academic use. The centre will train the next generation of horticultural leaders and thinkers, building a strong talent pipeline and knowledge base.

Councils can enable these types of endeavours through flexible zoning that allows creative uses and transportation networks designed to bring food from the fields into the city and foster the connection between researchers, policy makers, consumers and rural operations.

As of February 2023, the Natural and Built Environment Bill requires that regional planning committees have regard to statements of community outcomes prepared by local authorities.²⁰ With resource allocation shifted to the regional scale, local government representatives on regional planning committees will need to make their case for creative, place-making and forward-facing proposals like the Pukekohe hub in these community outcome statements. They'll likely need to argue for wider regional or national benefits to achieve deep investment in their

²⁰ [Natural and Built Environment Bill 186-1 \(2022\), Government Bill Contents - New Zealand Legislation](#) (Clause 107 (1))

area. That is where it would be worth developing wellbeing policy frameworks that evaluate project proposals for impacts across spatial scales and wellbeings.

HortNZ imagines local government as a connector and enabler of an innovative future for our domestic food system. Through planning levers, financing, and partnership across jurisdictions, local government can strategize for complex problems like ensuring food production.