

**BEFORE THE CHRISTCHURCH REPLACEMENT  
DISTRICT PLAN INDEPENDENT HEARINGS PANEL**

**IN THE MATTER** the Resource Management Act 1991 and the Canterbury  
Earthquake (Christchurch Replacement District Plan) Order  
2014

**AND**

**IN THE MATTER** of Heinz Wattie's Limited's submission (submitter no. 884)  
on the Industrial Proposals of the Proposed Christchurch  
Replacement District Plan

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**STATEMENT OF EVIDENCE OF FREDERIC BRUCE SNOWDON ON BEHALF  
OF HEINZ WATTIE'S LIMITED**

**DATED 24 APRIL 2015**

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## EXECUTIVE SUMMARY

1. My name is Bruce Snowdon. I hold the position of Agricultural Manager at Heinz Wattie's Limited. My evidence is provided in support of Heinz Wattie's submission on the Proposed Christchurch Replacement District Plan. Heinz Wattie's operates a vegetable processing plant on its property at 255 Shands Road, Hornby (Lot 2 DP 375551). A crucial part of Heinz Wattie's operations at the processing plant is the treatment and discharge of wastewater. The wastewater is discharged over approximately 61 hectares of rural land owned by Heinz Wattie's, located adjacent to the rural properties at 637 Main South Road and 320 Shands Road, Hornby.
2. Heinz Wattie's opposes the zoning of its rural properties as Industrial Heavy (South West Hornby) and the provisions in the Industrial chapter of the Proposed Plan (chapter 16) that apply to that zoning as these proposals could have significant implications for Heinz Wattie's business now and in the future.
3. Heinz Wattie's is concerned that the proposed rezoning will lead to increased consenting and compliance costs for Heinz Wattie's. There is no benefit in zoning the rural properties Heavy Industrial (South West Hornby) as Heinz Wattie's does not intend to undertake industrial activities on the land. It intends to continue its existing irrigation and rural activities on the land or variations to those activities.
4. Heinz Wattie's is seeking the removal of the proposed Industrial Heavy zone from the rural properties and the reinstatement of the current rural zone or an appropriate and similar replacement zone. In the alternative, Heinz Wattie's is seeking that a deferred zone is applied to the rural properties. The intention of a deferred zoning is to apply an appropriate rural zoning to the properties until such time as Heinz Wattie's intends to no longer use the rural properties for rural activities. I understand that the Council agrees with the alternative solution. I consider a deferred industrial zoning to be a pragmatic response that enables the ongoing operation of Heinz Wattie's established rural activities.

## INTRODUCTION

5. My name is Bruce Snowdon. I hold the position of Agricultural Manager at Heinz Wattie's Limited (**Heinz Wattie's**). I am authorised to provide this statement of evidence on behalf of Heinz Wattie's.
6. I have a Bachelor of Science degree with Honours (First Class) from Massey University. I was awarded the Massey Scholarship in 1984 having been judged top student across the Agriculture and Horticulture faculties that year.
7. From 1985 to 1989 I worked for the NZ Apple and Pear Marketing Board (**ENZA**) in Wellington, firstly as a Management Trainee and then as Export Sales Manager for the Processed Division.
8. I have been employed by Heinz Wattie's for over 22 years. During this time I have held various positions including Agronomist and Research Agronomist in Gisborne, and Agricultural Manager in Gisborne and then Christchurch. For 15 years from 1995 I led a grower recruitment programme called Grow Organic with Watties which assisted about 30 Canterbury farmers to adjust their production systems in order to achieve Bio-Gro Organic Certification and provide us with certified organic vegetables for many customers around the world who were demanding these. From 1999 to 2010 we leased land from Lincoln University and created Kowhai Farm to research and demonstrate to Canterbury arable farmers' best-practice commercial-scale cropping following organic standards. I was responsible for this initiative. From 2008 to 2010 I led a global team within Heinz in the development and implementation of global Sustainable Agriculture standards (known as Heinz GAP).
9. In my current position as Agricultural Manager at Christchurch facility I am responsible for the procurement of vegetables worth approximately \$20 million annually from contracted growers, and the deployment of the necessary harvest and transport resources to deliver the vegetable crops to Heinz Wattie's Christchurch processing plant at the desired volumes, timing and quality. I lead a team of about 30 staff including: Agronomists who advise and direct crop production on the growers' farms; Harvester Operators who work in teams using specialist machinery to harvest each crop when it reaches optimum quality; and Mechanical Engineers who repair and maintain the harvesters. I also have an oversight role with respect to the farming activities

on Heinz Wattie's rural properties, advising on decisions such as harvesting silage or baleage, grazing livestock, weed control and pasture renewal.

10. I am familiar with all of Heinz Wattie's operations in New Zealand, including those at its Christchurch Processing Plant, from a business and technical operations perspective. I am particularly familiar with:
  - (a) the agricultural activities associated with the operation of the Christchurch Plant; and
  - (b) the environmental and consenting requirements of operations at the Christchurch Processing Plant.
  
11. My evidence is provided in support of Heinz Wattie's submission on the Proposed Christchurch Replacement District Plan (**Proposed Plan**). I will provide background information about Heinz Wattie's current and future operations in Christchurch and discuss Heinz Wattie's concerns with the proposal to rezone Heinz Wattie's land in Hornby under the Proposed Plan.

#### **SCOPE OF MY EVIDENCE**

12. My statement of evidence relates to the Industrial Proposals of the Proposed Plan (Proposal 16) and the Industrial Heavy (South West Hornby) zoning applicable to Heinz Wattie's properties at 637 Main South Road and 320 Shands Road, Hornby.<sup>1</sup>
  
13. In this statement of evidence I cover the following matters:
  - (a) Background to Heinz Wattie's operations in Christchurch; and
  - (b) Heinz Wattie's concerns with the proposals in the Proposed Plan on Heinz Wattie's operations.

#### **BACKGROUND TO HEINZ WATTIE'S OPERATIONS IN CHRISTCHURCH**

14. Heinz Wattie's is a subsidiary of HJ Heinz the US-headquartered multinational food company whose iconic product is Heinz Ketchup. Heinz purchased Watties in 1992. The Wattie's story started in 1934 when James Wattie (later Sir James) started producing jam from surplus fruit in a cottage in Hastings. Wattie's is now one of NZ's best known and most trusted brands, with strong

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<sup>1</sup> Pt Lot 1 DP 27842 (637 Main South Road) and Lot 2 DP 387987 (320 Shands Road).

domestic market positions in categories such as: canned fruit and vegetables; frozen vegetables; frozen meals; soups and sauces; condiments and dips; infant food; quick-serve meals (such as the popular Wattie's baked beans; and pet food. Heinz Wattie's has manufacturing facilities in Christchurch, Hastings and in Auckland.

15. Heinz Wattie's operates a vegetable processing plant on its property at 255 Shands Road, Hornby (Lot 2 DP 375551) (**processing plant**). The history of the processing plant dates back to 1969 when James Wattie saw an opportunity to expand his production into Canterbury to take advantage of the huge land area here and the agriculture expertise and the favourable soils and climate by this time he was facing constraints on growth at his Hastings and Gisborne sites. He bought several farms on Shands Road and started building a factory, stores and offices in 1970.
16. The processing plant has been in operation since 1972. It produces around 45,000 tonne annually of frozen and air dehydrated vegetables for both local and export markets. The Shands Road factory is Heinz Wattie's only South Island plant. It employs up to 280 staff including approximately 160 on a seasonal basis. The peak production period is from late November to mid-April when processing runs 24 hours, seven days a week.
17. The main crops processed at Christchurch are Peas (approximately 30,000 tonnes grown each season – making this one of the largest pea processors in the Southern Hemisphere), Beans (8,000 tonnes), Carrots (10,000 tonnes), Broad Beans (1,000 tonnes) and Potato (1,000 tonnes). The planting, growing and harvest is spread through the year, with the intention to continuously utilise the factory day-and-night from November to the following August.
18. All products processed at the processing plant are grown in the Canterbury region. Approximately 250 local growers supply crops to Heinz Wattie's each year, mostly located to the West and South/West and South of the processing plant within a radius of about 80 km. Most growers contract with us every season – with the passage of time we find we are now dealing with the sons/daughters and even grandchildren of some of the farmers that first supplied Wattie's in the 1970's. We have a multi-million dollar contract with a local transport company to haul all the crops back to the factory as we harvest them. To control quality and cost, all seed used to grow our Canterbury crops

is supplied by us to the growers. We have multi-million dollar purchase contracts with several seed companies, and most of the seed is produced here in Canterbury.

19. On a daily basis I deal with questions or audits from customers around the world who buy processed vegetables from Heinz Wattie's because they value the food safety, and quality, and environmental sustainability that our products promise. I see first-hand the respect our customers have for the "story" of our Christchurch products; from the world-class agriculture to the care and attention to quality in the factory. This reputation has been gradually built and enhanced over the 40-plus years of the Shands Road site to the point that we now have products which can compete on quality and price and reputation all over the world. With this strong platform I see the business as well placed for the future.
20. A crucial part of Heinz Wattie's operations at the processing plant is the treatment and discharge of wastewater. Up to 6 million and on average 3.5 million litres of wastewater is generated at the processing plant daily. The wastewater consists of vegetable process water produced from the washing, transportation, peeling, and blanching of vegetables, cooling of vegetables prior to freezing, cleaning of equipment, and defrosting of refrigeration equipment.
21. The wastewater is discharged over approximately 61 hectares of rural land owned by Heinz Wattie's and located adjacent to the processing plant at 637 Main South Road and 320 Shands Road, Hornby (**rural properties**). The wastewater has been discharged over these rural properties for the past 38 years (since 1972).
22. The wastewater is collected at the processing plant, passed through a treatment system and then irrigated over the rural properties which are used for the grazing of livestock and the harvesting of pasture as silage.
23. Applying wastewater to the rural properties is crucial for the ongoing operation of Heinz Wattie's processing plant. There is no viable alternative for the disposal of the wastewater, which has been acknowledged by the Council. This is because the processing plant generates wastewater at such high volumes that the municipal wastewater network cannot currently cope with it, and I understand there is no current proposal to upgrade the network so that it

can take Heinz Wattie's wastewater in the near future. If Heinz Wattie's is prevented from discharging the wastewater generated by the processing plant to the rural properties, and the municipal wastewater system continues to be unable to accept and process the wastewater, then Heinz Wattie's could be required to cease production/manufacturing operations at the processing plant. Such a scenario would have a significant impact on the community and the region's economy as Heinz Wattie's employs a large number of staff at the processing plant and obtains produce from a number of growers and supply contractors in the region. Similar concerns apply in the event that there are significant limitations imposed on the use of the rural properties for rural activities.

24. The discharge of the wastewater to the rural properties is authorised by a resource consent (CRC093923) granted by Environment Canterbury which expires on 12 August 2021. Heinz Wattie's also holds six other permits relating to operations at the processing plant:
  - (a) CRC093924, permit to discharge stormwater to land which expires on 12 August 2046;
  - (b) CRC981745.1, permit to discharge defrost water to land which expires on 19 November 2033;
  - (c) CRC921748.2, permit to discharge contaminants to air from the operation of coal and oil-fired boilers, an oil fired heat exchanger, a dehydrator and from the processing and cooking of vegetables which expires on 25 October 2030;
  - (d) CRC022160.1, permit to discharge contaminants to air from the operation of one LPG boiler which expires on 16 September 2037; CRC970466;
  - (e) Permit to take groundwater from four bores for industrial purposes which expires on 01 July 2032; and
  - (f) CRC941560 Permit to take groundwater from six bores for irrigation purposes which expires on 14 September 2029.
  
25. Heinz Wattie's does not hold any land use consents for its activities on the processing plant or the rural properties, and relies on the current existing

permitted activity status of the activities under the operative Christchurch City District Plan.

26. Heinz Wattie's intends to continue its existing operations at the processing plant and on the rural properties. However, there is a possibility that Heinz Wattie's may alter its existing activities on the rural properties which are necessary to support the processing plant, which would remain rural uses and would not amount to industrial activities.

### **CONCERNS ABOUT THE PROPOSALS IN THE PROPOSED PLAN ON HEINZ WATTIE'S OPERATIONS**

27. Heinz Wattie's opposes the zoning of its rural properties as Industrial Heavy (South West Hornby) and the provisions in the Industrial chapter of the Proposed Plan (chapter 16) that apply to that zoning, including the Outline Development Plan for the Industrial Heavy Zone (South West Hornby) (**ODP**) and the non-complying activity status proposed for rural activities in the Industrial Heavy (South West Hornby) zone.
28. I am concerned that these proposals could have significant implications for Heinz Wattie's business now and in the future. I set out these concerns out in further detail below.

#### **Zoning of the rural properties**

29. In my opinion there is no benefit in zoning the rural properties Heavy Industrial (South West Hornby) in the Proposed Plan as Heinz Wattie's does not intend to undertake industrial activities on the land. Rather, it intends to continue its existing irrigation and rural activities on the land or variations to those activities.
30. Heinz Wattie's is concerned that the proposed rezoning will lead to increased consenting and compliance costs for Heinz Wattie's.
31. I also understand that rural activities undertaken on the rural land may require a resource consent under the proposed rules for Heavy Industrial (South West Hornby) and that such applications would be assessed as non-complying activities under the Proposed Plan.
32. I understand that the application process for non-complying activities can be expensive, time consuming and there is considerable risk of being refused by

the Council. This is inappropriate for activities that Heinz Wattie's has no option but to undertake due to the constraints of the municipal wastewater system, and which are critical to the ongoing operation of the processing plant. It could also impose unduly restrictive conditions on the operation of Heinz Wattie's business, which is an important industrial activity and provides a significant level of employment in the Canterbury region.

33. The current wastewater discharge consent was issued on 27 October 2011; two and a half years after the initial consent application was submitted, and at significant cost to the business. Heinz Wattie's was required to complete a full piezo study (to measure hydrostatic pressure of groundwater at different locations below the property to understand groundwater movement), to enable contour mapping to establish ground water direction under the discharge area; install a trial discharge system and agree to numerous (32) conditions before the consent was granted. The final conditions required a full upgrade of the discharge system at a cost of approximately \$1.1 million and rigorous ongoing monitoring and reporting requirements. These costs and delays applied even though we have a rural zoning. With the consent requiring renewal in early 2021 we are concerned that the application of the Industrial Heavy (South West Hornby) zone to the disposal area may add an additional layer of consent requirements in the future and therefore additional complexity and compliance costs for the business.

**The ODP and the requirement for activities to comply with the requirements of the ODP**

34. The Industrial Heavy (South West Hornby) zone requires the provision of a number of development features which are outlined in the ODP. These include providing for a Collector Road, a Minor Arterial Road, and roading upgrades.
35. For Heinz Wattie's current rural activities, these requirements are unnecessary and inconsistent with our operations. Clearly, the continuation and potential variation of rural activities on the rural properties does not require these development features.

## THE CHANGES THAT HEINZ WATTIE'S IS SEEKING TO THE PROPOSED PLAN

36. Heinz Wattie's is primarily seeking the removal of the proposed Industrial Heavy (South West Hornby) zone from the rural properties and the reinstatement of the current rural zone or an appropriate and similar replacement zone. In the alternative, Heinz Wattie's is seeking that a deferred zone is applied to the rural properties.
37. The intention of a deferred zoning is to apply an appropriate rural zoning to the properties until such time as Heinz Wattie's intends to no longer use the rural properties for rural activities. Heinz Wattie's consultant planner, Mr Cleese, discusses the proposed deferred zoning in his statement of evidence in more detail. I consider a deferred industrial zoning to be a pragmatic response that enables the ongoing operation of Heinz Wattie's established rural activities, while providing for the Council's intentions for the future of the land once these activities cease.
38. If these changes are not made to the Proposed Plan then Heinz Wattie's is seeking that rural activities are provided for as permitted activities in the Industrial Heavy (South West Hornby) zone and that the requirement to provide the infrastructure and Key Structuring Elements identified on the ODP and comply with the Built Form Standards in respect of the rural properties is removed.
39. Heinz Wattie's representatives met with the Christchurch City Council (**Council**) to discuss its submission on the Proposed Plan and the potential application of a deferred zoning to the rural properties on 18 March 2015 and at formal mediation on 22 April 2015. The Council has largely agreed with this proposal.
40. However, the Council has included a "sunset date" for the deferred zone of 30 March 2026 which I consider is inappropriate and should be removed. Heinz Wattie's does not necessarily intend to cease its rural activities on the rural properties by 30 March 2026 and the Industrial Heavy (South West Hornby) zone will continue to be inappropriate and have significant implications for Heinz Wattie's at this time for the reasons given above. Even if Heinz Wattie's could discharge its waste water to the Council's trade waste system, we would

most likely need to set up infrastructure systems to treat the water and control volumes, which would take a few years to establish.

41. I consider that the application of a deferred industrial zoning to the rural properties that applies until such time as Heinz Wattie's ceases rural activities is proposed to cease is more appropriate.

**Frederic Bruce Snowdon**

**24 April 2015**