MUSHROOM
CASING SPECIALISTS

Submission to the Department of Culture, Heritage and the Gaeltacht

In response to the Consultation paper reviewing the use of peat in the Horticultural Industry.

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About Us

Harte Peat Ltd is a family run business which was established in 1987. We now deliver our growing media to professional mushroom growers throughout Ireland, the UK and export to 18 countries in 5 continents, which makes us one of the market leaders within the International Mushroom Industry, with our main competitors being in Germany, Holland and the Baltic States.

Our product adheres to the mushroom casing standards provided by Bord Bia and Teagasc. We have seen the demand for our growing media increase over the years due to our reputation for quality products and high yields throughout the mushroom Industry. This being a main objective of our business along with being committed to having the highest standards and to comply with current best practise in relation to the safeguarding and protection of our environment. We are also dedicated to making changes within our business to ensure we are leading the way as a responsible horticultural business.

We as a company pride ourselves on our hands-on customer care and support. Monaghan Mushrooms being one of our largest and local customers, benefits a lot from this as we can be on site with new mushroom casing mixes to offer advice and guidance.

Harte Peat Ltd currently employ 80 people operating between our sites within rural Ireland. We value each of our employees as their commitment, support and skills have aided the successful growth of our business over the years.

Introduction

The Irish Horticultural Industry is an important economic sector in Ireland. It's made up of two sectors; food and amenity produce. The main crops are mushrooms, potatoes, field vegetables, fruit, cut foliage, bulbs and Christmas trees. This has a farmgate value of €437 million.

The mushroom industry is the largest horticultural sector in Ireland. It has a farmgate value of €136 million of which approximately 80% is exported to the UK. It currently employs over 3,500 people in the republic of Ireland. Bord Bia indicate that the UK market for mushrooms is growing steadily in recent years at a rate of 2% per annum. Button / Closed cup mushrooms hold the largest share of the market followed by flat / breakfast mushrooms, value mushrooms and the sliced and exotic mushrooms. Mushroom production is consistent with a sustainable food supply, in a global population which is ever increasing and projected to nearly 10 billion people by 2050. We need to have very sustainable ways of growing food. Mushroom production produces very high yields from a very small physical footprint.

Production is holding at 69,000 tonnes with about 60 growers producing agaricus on about 75 production units. Labour is a very significant cost of production as retail mushrooms are handpicked. Picker training courses have contributed enormously to labour cost efficiencies with the added bonuses of better worker output, satisfaction and improved quality of the product.

Some alternative materials have long and complex carbon footprints stretching across the world. Some of them are relatively expensive and the new low sulphur surcharge for shipping will add to the costs of imports as it has for exports. This along with other factors such as energy and water use will make the transition difficult and time consuming, therefore the change can't happen overnight. We are yet to discover a viable alternative for our product and there are none available to date.

As an Industry we are trying to control our remaining resources effectively while we continue to research / develop alternative materials. We want to work with all stakeholders to find the least impactful path. We must avoid an unreasonable transition that will result in job losses, abandoned peatlands and a damaged food chain.

1. **What are your views on what more could be done to support and enable the switch to peat free horticulture at professional crop production level and consumer level?**

A transition to a peat free market will involve growers, retailers and consumers accepting more expensive products and produce throughout the board. Although, incentives or subsidies could help offset the cost of transitioning to peat-free materials.

While there is no viable alternative for the mushroom industry, we feel that these peat-free or reduced materials will be more costly and difficult to obtain because we will compete for some raw materials as well as other industry sectors, these materials would have to travel significantly further to reach us or the volumes needed cannot be produced on a big enough scale to supply demand.

The peat reduced product would have to obtain the same quality and shelf life as what we produce today. It would also require a lot more work such as increased water consumption and fertilisers which in turn adds extra cost to the grower. Unless these new alternatives make commercial and viable sense to the growers they will not be interested in investing in them.

If we, Harte Peat Ltd, cannot use our peat and there is no suitable alternative available, what happens to our mushroom growers and the industry? Smaller sites which might not be able to afford new machinery or infrastructure would face closure, which in turn would result in job losses across Ireland, leading to national economic downfall.

Regarding to the peatlands and their carbon sink, we think if we could quantify the value and determine a carbon market there would be a greater incentive for owners and operators of peatlands, to preserve, rewet or restore their assets.

2. What are your views on alternatives to the use of peat in the Horticulture Industry (from, for example, the perspective of the professional grower or consumer / amateur gardener)?

We at Harte Peat Ltd are in the most reliant sector of the Horticulture Industry for peat to make mushroom casing. To date there are no viable alternatives for our product. We have spent a lot of time researching over the years to come up with a different alternative or reductions in peat to which we have had no success, including research done with Monaghan Mushrooms. There has also been major research carried out in both Europe and the USA which have yet to find any viable alternative to a peat based mushroom casing.

So, therefore as a professional mushroom grower who has invested so much into specialised machinery around the peat based product, they will have financial difficulty trying to alter or invest in new equipment. Not only that, if we cannot supply our products their quality of mushrooms will be a lot lower using alternatives which would lead to a loss of sales, custom and revenue. This will also contribute to leaving a much larger carbon footprint as it is likely that the peat we will be using will come from either the UK, other EU countries, Russia or Canada. The grower's only potential alternative to our product would be a dry milled peat product from the countries mentioned with all the associated production problems.

For the professional growers and producers not in the food chain, they have alternatives to choose from to reduce their peat content. When in the food chain we need a very clean medium that has no weeds or pathogens and especially in the mushroom industry where hygiene is an important part of the growing process, because mushrooms grow so well in small areas. It is critical that pests and disease be managed using effective ways and peat is the perfect blank canvas for this. We feel it would be more feasible for these other professional growers to use a peat reduced blend instead of cutting it out completely. This will also help ease the financial strain which they would be faced with when using 100% more expensive raw materials.

For amateur gardeners, we think it would be possible to introduce peat-free or reduced products. This is usually a hobby or past-time for them, so shouldn't affect them to the extent of any professional growers in the industry because it's their livelihood.

3. **What are your views on whether Ireland should cut back or cease export of the peat for use outside of Ireland even if this would result in job losses in Ireland?**

We are one of the top four mushroom casing suppliers within the world market. Over 80% of our business is exported. If we were to cut back or cease the export of our products, we would lose a substantial amount of business which in turn would lead to job losses and the potential closure of our business. The high quality of mushroom casing which our export customers require from us would not be the same from our competitors in Europe as their peat has a very different structure and would be more difficult to manage. So, in turn their businesses would suffer also from this change.

If exports were cut back or ceased, we would be looking at a potential closure of the casing soil business in Ireland resulting in an increase to the end consumer. This increase would ultimately increase the cost of a low cost high protein food. Again the people greatest affected in our community would be the middle / working class.

We're not the only company who would suffer drastically from this. Other horticulture substrate producers in Ireland, who export a substantial amount of their products would also face the same difficulties. This would lead to hundreds of people losing their jobs within the industry. Is there going to be other jobs available for these people or families? If not, it would result in a lot of people in low employment areas, such as the midlands and border regions being jobless.

As mentioned above, if we were to only supply our product within Ireland, it would mean importing our peat from either Germany, the Netherlands or the Baltic States which is a lot more expensive than it is now. This increase would then be passed on to professional growers, retailers and consumers. While significantly increasing the carbon footprint of the process.

We think a more realistic proposal would be a license to ensure that once the production is complete at former extraction sites, operators would rewet peatlands to encourage regrowth. Also ensuring that existing peat production sites are not abandoned and left to contribute to Ireland's Greenhouse gas emissions.

4. **Do you consider that a working group should be established to advise on how best to overcome the barriers to reducing peat use in the professional horticultural market?**

We feel this is a necessary step to establish such a working group with the various different opinions / views and negativity surrounding the use of peat today. The working group should represent the industry as whole, including the manufacturers, suppliers, growers and retailers.

5. **If you are in favour of the establishment of a working group, which stakeholder groups do you think should be represented on it?**

Everyone above should be included, along with Bord Bia, Teagasc, IFA, NGO's, Department of Communication and the Environment and Kieran Mulvey, the Just Transition Commissioner.

6. **How do you think that those involved in harvesting peat for horticulture could be compensated (for any loss arising or related to the value in ecosystem services retrained / provide)?**

If there was a well organised plan allowing the industry to harvest and rewet the former extraction sites or operational sites as they harvest, then there would be no need for compensation. This would be the lowest cost option and would take some time but if it were successful it would create / maintain employment in the midlands while operators carried out their duties as responsible substrate producers.

If the above is not an option then, operators could submit audited accounts breaking down how much net profit they have made over a preceding number of years from peat extraction. This could then be used as a basis of compensation for a number of years going forward depending on the volumes available on their lands.

7. **How do you think that those involved in harvesting peat for horticulture could be guided towards alternative activities, for example, developing on environmentally suitable alternative material that could replace peat in professional horticultural crop production?**

Unfortunately this is not an option for us, as there are no alternatives available other than to import our peat from other EU states, as mentioned before.

We as a company, have been rewetting our own bogs to about 85% of the requirement within Europe for the last 30years. We are able to do this as we go along, as we only excavate our bogs in sections, with our maximum excavated area being 5ha per year. We then rewet the section furthest away to the current section being harvested.

Growers in other horticulture industries could be encouraged to use peat-reduced alternatives by either subsidising sustainable alternatives, bearing in mind that alternatives to peat also have associated environmental costs.

Alternatives to peat come at greater cost and introduce more risk for growers and retailers.

8. What do you consider the value of the peatlands to be to (please score out of 100)?

Carbon Storage	15
Nature Conservation	20
The provision of ecosystem services	15
The economy	30
Social and Cultural needs	20
	100

9. In your opinion should the use of peat within (i) the amateur horticultural market and (ii) the professional horticultural industry be phased out over the next 3, 5, 10, 15 or 20 years and if so, how should this be done bearing in mind the potential job losses and the difficulties with alternative growing media?

We think it would take a minimum of 20 years to successfully replace traditional peat for all sectors and crop types. This will require significant input from the industry in terms of time and resources, from Government in terms of research and development and financial support from universities and research centres for trails and studies.

The mushroom industry is the largest sector which will be affected from a food perspective. The challenges for the professional growers who use peat is to find a substrate that is environmentally better that delivers the same or better results in terms of safety, quality, yield, mortality and cost.

We are extracting peat from an area less than 5ha per annum. The use of peat in energy generation up until now has exhausted in excess of 1,000 to 2,000ha per annum on a conservative estimate, which is the equivalent of 200 to 400 years of sufficient supplies for our industry. This in our opinion has been the greatest misuse of this viable resource.

10. Does more need to be done to educate and build consumer awareness of peat free products which are available at retail level?

We feel if the options are there for other alternatives then yes. It should be clearly stated between the products including price fluctuations, instructions of use, how to manage and get the most out of the new product, sustainability, carbon footprint, ethical standards etc., this will ensure consumers are aware that alternative materials also come at an environmental cost. Just two examples are:

- Coir: which needs huge amounts of fresh water in areas like India and Sri Lanka where these resources are limited to say the least.
- Green compost – stability of the product, input material not always vetted, the use of pesticides in the input material and most importantly is its lack of water holding capacity.

Consumers will only change to peat free products if they know they will have growing success. The alternatives available will have to be of good quality and also at a reasonable price.