

31 OCTOBER 2023

SUBMISSION:

Potential Amendments to the National Policy Statement for Highly Productive Land

TO:

Ministry for Primary Industries

FROM:

Poultry Industry Association New Zealand/ Egg Producers Federation of New Zealand

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1.0 INTRODUCTION

Poultry Industry Association New Zealand (PIANZ) and the Egg Producers Federation of New Zealand (EPFNZ) would like to thank the Ministry for the Environment (MfE) and the Ministry of Primary Industries (MPI) for the opportunity to provide feedback on potential amendments to the National Policy Statement for Highly Productive Land (NPS-HPL).

MfE and MPI have identified two issues with implementing the NPS-HPL since it was enacted on 17 October 2022. These are reiterated as follows:

The omission of a clear consent pathway for the construction of new specified infrastructure in clause 3.9(2)(j)(i). This could limit the ability to provide necessary new specified infrastructure on HPL.

The absence of a clear consent pathway for intensive indoor primary production and greenhouses to develop or relocate on HPL. This may make climate change adaptation more challenging for these industries¹.

In preparing this submission, I have read the following documents:

- Managing the use and development of highly productive land: Potential amendments to the NPS-HPL – Discussion document.
- National Policy Statement for Highly Productive Land: Evaluation report under section 32 of the Resource Management Act.
- Ministry for Primary Industries and Ministry for the Environment. 2022. Recommendations and decisions report on the National Policy Statement for Highly Productive Land.
- The National Policy Statement for Highly Productive Land 2022.
- National Planning Standards 2019.

PIANZ and EPFNZ look forward to further consultation with MfE and MPI to ensure the NPS-HPL better reflects the more comprehensive National Policy Standards framework.

2.0 ABOUT PIANZ AND EPFNZ

PIANZ is a trade association representing the wider New Zealand poultry industry, representing more than 99% of the poultry meat producers in New Zealand.

The EPFNZ is a trade association representing commercial layer hen farmers; commercial is defined as any farmer with 100 hens or more.

PIANZ and EPFNZ work with Government agencies to advocate for the wider poultry industry's ability to remain a trusted, economical, and safe food source of poultry meat and eggs for consumers, now and for future generations.

Poultry operations must be in or near rural areas to assist in managing the potential environmental effects generated by the farms. The operations of the poultry industry can, therefore, be characterized by the need to be in rural areas within a reasonable distance of the urban population.

PIANZ and EPFNZ wish to ensure that poultry operators are afforded the ability to function effectively in rural zones.

¹ Page 8, Te whakahaere i te whakamahinga me te whanaketanga o ngā whenua whai hua – Managing the use and development of highly productive land. Potential amendments to the NPS-HPL: Discussion document.

3.0 SUMMARY OF SUBMISSION

This submission entirely relates to Issue 2: The absence of a clear consent pathway for intensive indoor primary production and greenhouses to develop or relocate on HPL.

4.0 SUBMISSION POINTS

The Discussion Document acknowledges no clear consent pathway for new intensive indoor primary production and greenhouses, even if there may be a functional or operational need for the activity to be located on HPL.

Our submission points and the relief sought are outlined in the following sections.

5.0 NPS-HPL AND NEW INTENSIVE INDOOR PRIMARY PRODUCTION AND GREENHOUSES ON HPL

The scope of the NPS-HPL was identified in the Section 32 Officer's report *to protect HPL for land-based primary production activities reliant on the soil resource – not other forms of primary production with no reliance on soil resource (e.g., intensive indoor primary production)*².

No substantial assessment was undertaken during the Section 32 Officer's report on the effects of intensive indoor primary production. Conversely, the Section 32 Officers report recognises the cost of locating intensive indoor primary production outside HPL areas. We agree with this statement and pay regard to the functional need for intensive indoor primary production in areas that future-proof the industry. The industry is increasingly susceptible to rising costs associated with climate change adaptation, transportation of consumer goods, and ensuring compliance with evolving animal welfare practices. As stated in the Discussion Document, the cost of guaranteeing resilience to the intensive farming sector means a higher reliance on HPL.

The National Planning Standards (NPS) has identified the General Rural Zone and Rural Production Zone as intensive indoor primary production areas. The NPS defines primary production as:

- (a) any aquaculture, agricultural, pastoral, horticultural, mining, quarrying or forestry activities; and*
- (b) includes initial processing, as an ancillary activity, of commodities that result from the listed activities in a);*
- (c) includes any land and buildings used for the production of the commodities from a) and used for the initial processing of the commodities in b) but*
- (d) excludes further processing of those commodities into a different product.*

Further, the NPS defines intensive indoor primary production as:

Primary production activities within buildings involve growing fungi, keeping or rearing livestock (excluding calf-rearing for a specified time), or poultry.

² Page 31, Section 32 a report

Rather than adopt the approach of the NPS, the NPS-HPL introduces a new definition of *land-based primary production* that does not recognise the need for intensive indoor primary production to establish on HPL, particularly in districts that comprise mainly HPL. The NPS-HPL defines land-based primary production as:

Land-based primary production means production from agricultural, pastoral, horticultural, or forestry activities that rely on the land's soil resource.

I consider it appropriate to ensure the NPS-HPL reflects the NPS, which provides a clear directive for intensive indoor primary production to be in Rural Zone areas where soils may meet the definition of HPL.

6.0 HOW THE NPS-HPL MAY BE RESTRICTING ACTIVITIES THAT MAY HAVE A FUNCTIONAL OR OPERATIONAL NEED TO BE LOCATED ON HPL

The NPS-HPL Section 32a evaluation report states that the core resource management issue the NPS-HPL seeks to address is the “*ongoing, incremental loss of HPL, primarily from urban rezoning and land fragmentation arising from rural lifestyle development*”.

The NPS-HPL intended to provide a consenting pathway for activities that are not land-based primary production. It has included requirements for landowners seeking to use their HPL for a use other than land-based primary production. Landowners must demonstrate that land-based primary production on the land is not ‘economically viable’ in the long term (for at least 30 years).

The NPS-HPL assumes that intensive farming has little to no reliance on HPL soils. In recent years, the poultry industry has significantly shifted from sole indoor production to a combination of indoor and outdoor production. This is evident with laying hens, who are required to be provided with access to outdoor areas. In turn, this creates a reliance on HPL to ensure the versatility and viability of outdoor areas.

Further to the above point, the Regulatory Impact Statement prepared by MfE states the following about the benefits of establishing intensive indoor primary production:

- *All the raw poultry that New Zealanders consume is produced and processed in Aotearoa. In 2020, over 200,000 metric tonnes of chicken produced were for the domestic market.*
- *The relative affordability has led to chicken being the most popular animal meat protein in New Zealand, accounting for 55% of animal meat consumption.*
- *New Zealand is essentially self-reliant on domestically produced and processed poultry; this could mean that the NPS-HPL could become a barrier for a vital food-producing industry to meet the food demands of New Zealanders if the industry is not able to establish new commercial scale sites on HPL.*
- *New Zealand does not import any live poultry; however, to improve genetics, we import hatching eggs hatched in quarantine before being allowed into the breeding facility.*
- *All shell eggs consumed in New Zealand are produced in New Zealand. New Zealand is self-reliant on domestically produced eggs.*

- *New Zealand consumers eat 236 eggs per person per year, making NZers amongst the world's highest eggs consumers. Eggs are one of the most cost-effective proteins produced in New Zealand.*

This emphasises the importance of the domestic chicken and egg market to the New Zealand, which plays a crucial role in ensuring the country's food security.

I agree with the above conclusions drawn in the Regulatory Impact Statement, particularly emphasising the potential consequences to New Zealand's wider poultry industry due to the barriers under the NPS-HPL.

Free-range poultry farming allows for access to both indoor facilities and outdoor areas, typically soil or pasture. Free-range poultry farms usually have enclosed buildings or poultry houses, however provides birds access to outdoor areas, which allows them to engage in natural behaviours like scratching, pecking, and foraging. As a result we do not envisage that free-range poultry farming would be restricted by the provisions of the NPS-HPL, however clarification of this matter would be welcomed in the guidance documents.

Establishing intensive indoor primary production on lower quality soils consequently results in higher transport costs, inefficient building sites (requiring extensive earthworks), cost of building, and managing onsite effects such as effluent in an inefficient manner.

These locations are often a greater distance from urban areas than HPL. Should indoor primary production be required to located outside of HPL, this may result in negative implications on animal welfare associated with longer transportation duration from farms to centres.

We suggest making a change in another area of the NPS-HPL, in the definition of "productive capacity" to reflect the significant protein contribution the poultry and egg industries make to the NZ's domestic food supply.

7.0 CONSULTATION QUESTIONS

7.1 DO YOU THINK THE NPS-HPL REQUIRES AN AMENDMENT TO PROVIDE A CONSENT PATHWAY FOR DEVELOPING INTENSIVE INDOOR PRIMARY PRODUCTION AND GREENHOUSES ON HPL? WHY?

PIANZ **supports** an amendment to the NPS-HPL to provide a clear consenting pathway for intensive indoor primary production and greenhouses on HPL.

PIANZ seeks **relief** via the definition of **productive capacity** of the NPS-HPL amendment to provide a new subclause (d). See below.

Recommended changes are identified in **red** text and ~~strickethrough~~:

productive capacity, in relation to land, means the ability of the land to support land-based primary production over the long term, based on an assessment of:

(a) *physical characteristics (such as soil type, properties, and versatility);*
and

(b) *legal constraints (such as consent notices, local authority covenants, and easements); and*

(c) the size and shape of existing and proposed land parcels; and

(d) contribution to domestic food systems

PIANZ seeks **relief** via Clause 3.9 of the NPS-HPL amendment to provide a new subclause (k). See below. Recommended changes to Clause 3.9(2) are identified in red text.

(2) A use or development of highly productive land is inappropriate except where at least one of the following applies to the use or development and the measures in subclause (3) are applied:

(a) it provides for supporting activities on the land:

(b) it addresses a high risk to public health and safety:

(c) it is, or is for a purpose associated with, a matter of national importance under section 6 of the Act:

(d) it is on specified Māori land:

(e) it is to protect, maintain, restore, or enhance indigenous biodiversity:

(f) it provides for the retirement of land from land-based primary production to improve water quality:

(g) it is a small-scale or temporary land-use activity that has no impact on the productive capacity of the land:

(h) it is for an activity that requires authority about a designation or notice of requirement under the Act:

(i) it provides for public access:

(j) it is associated with one of the following, and there is a functional or operational need for the use or development of the highly productive land:

(i) the maintenance, operation, upgrade, or expansion of specified infrastructure:

(ii) the maintenance, operation, upgrade, or expansion of defence facilities operated by the New Zealand Defence Force to meet its obligations under the Defence Act 1990:

(iii) mineral extraction that provides a significant national public benefit that could not otherwise be achieved using resources within New Zealand; (iv) aggregate extraction that provides a substantial national or regional public benefit that could not otherwise be achieved using resources within New Zealand.

(k) it provides for intensive primary production as defined in the National Planning Standards.

7.2 WHAT ARE THE RISKS OF AMENDING THE NPS-HPL TO PROVIDE INTENSIVE INDOOR PRIMARY PRODUCTION AND GREENHOUSES ON HPL?

The risk of providing a clear consenting pathway for intensive indoor primary production outweighs the risk of inappropriate activities establishing on HPL.

The National Planning Standards 2019 states that General Rural Zones should be *predominantly used for primary production activities, including intensive indoor primary production. The zone may also be used for a range of activities that support primary production activities, including associated rural industry and other activities that require a rural location.*

7.3 DO YOU SUPPORT OPTION 1 (RETAINING THE STATUS QUO)? WHY?

PIANZ and EPFNZ **oppose** retaining the status quo. In the Discussion Document, both MfE and MPI acknowledge that there is no explicit consent pathway, even if the activity meets the requirements of having a *functional or operational need to be located on HPL.*

By retaining the status quo, MfE and MPI acknowledge the possibility of amending the NPS-HPL in future to provide for the development or relocation of intensive indoor primary production on HPL³. Deferring the change restricts local authorities, PIANZ and the EPFNZ from having a clear, concise consenting pathway that allows the industry to continue establishing in functional and necessary areas.

7.4 DO YOU SUPPORT OPTION 2 (A PATHWAY UNDER CLAUSE 3.9)? WHY?

PIANZ and EPFNZ **support** an amendment to the NPS-HPL to provide a clear consenting pathway for intensive indoor primary production and greenhouses on HPL. An amendment to Clause 3.6(2) is sought and addressed in Section 7.1 of this submission document.

7.5 ARE THERE ANY OTHER OPTIONS WE SHOULD CONSIDER?

An amendment to Clause 3.6(2) is sought and addressed in Section 7.1 of this submission document.

7.6 RECOMMENDATION

PIANZ and the EPFNZ seek to amend the NPS-HPL to provide a clear consenting pathway for intensive indoor primary production, as discussed in Section 7.2 of this submission.

³ Page 17, Discussion Document