

Rural Contractors New Zealand Submission
Proposed National Policy Statement for Highly Productive Land

To: NPS-HPL Submission
Land and Water Policy Team
Ministry for Primary Industries
PO Box 2526
Wellington 6140

Email: soils@mpi.govt.nz

Name of Submitter: Rural Contractors New Zealand Incorporated

Address for Service: Graeme Mathieson
Mitchell Daysh Limited
[REDACTED]
[REDACTED]
[REDACTED]

Telephone: [REDACTED]

Email: [REDACTED]

I confirm that I am authorised on behalf of Rural Contractors New Zealand to make this submission.

1 OVERVIEW

1.1 Rural Contractors New Zealand Incorporated (“RCNZ”) generally supports the direction of the Proposed National Policy Statement for Highly Productive Land (“Proposed NPSHPL”) subject to the amendments sought in this submission.

1.2 In this submission we have provided:

- General submissions on the Proposed NPSHPL (**Section 2**); and
- Specific submission points on the Proposed NPSHPL, including relief requested (**Attachment A**).

2 GENERAL SUBMISSION

2.1 RCNZ is the only national association and the leading advocate for rural contractors in New Zealand representing the interests of contractors engaged in a wide range of activities and is an Affiliated Member of Federated Farmers. RCNZ monitors central and local government policies and plans. It maintains close relations with a wide number of organisations, government departments and other bodies.

2.2 There has been a growing trend in the share of rural contracting in total agricultural production with an estimated 1100 rural contractors nationwide. This has been indicative of a trend toward greater specialisation and contracting out of the inputs to rural production. Contractors are used for the skills they have gained through specialisation, the machinery and technology they can offer, and as a substitute for other labour.

2.3 The main industry users of services from the rural contracting industry are horticulture and fruit growing, livestock cropping and farming, dairy and cattle farming, forestry, and services to agriculture and hunting and trapping. Specific examples of rural contractor services include:

- Aeration;
- Cultivation;
- Earth moving;
- Fertilising;
- Grain and seed harvesting;
- Land clearing and development;
- Park and reserve maintenance;
- Root raking;
- Spraying;
- Windrowing;
- Hay and silage making;
- Drilling;
- Farm drainage;
- Hedge and shelter cut;
- Mowing;
- Ploughing;
- Aerial and land spraying;
- Track maintenance;
- Cartage;
- Fencing;
- Forestry;
- Horticulture;
- Mulching;
- Viticulture.

2.4 Rural contractors make a significant contribution to rural communities, by providing off-farm work and casual workers for the farming sector and contributing to the economic and social health of local areas. Due to the nature of their business and the clients they serve, rural contractor depots are typically established in rural areas in close proximity to their core market of primary production activities (to reduce travel time and associated costs). The scale of rural contractor depots can vary from relatively small-scale seasonal operators (many of whom are set up as an additional seasonal business within an existing farming operation), to larger larger-scale businesses operating solely as a rural contractor depot.

2.5 The Proposed NPSHPL states that when the provisions come into effect, the proposed default definition of highly productive land is land with a Land Use Capability (“LUC”) classification of Class 1, 2 or 3 land. The Proposed NPSHPL then requires that within a 3 year period, Regional Councils must identify highly productive land for their specific Region (in consultation with communities) based on a range of considerations (including those set out in Section 2.3.3 of the Proposed NPSHPL), to either exclude some of the Class 1, 2 or 3 land or identify other highly productive land.

2.6 Given the need to locate in rural areas in close proximity to primary production activities (and that many rural contractor depots are set up as an additional seasonal business within an existing farming operation), it is essential that the ability to establish rural contractor depots on highly productive land is retained.

2.7 In this regard, proposed Policy 2 (Maintaining highly productive land for primary production) in the Proposed NPSHPL is of concern to RCNZ. Proposed Policy 2 states:

Local authorities must maintain the availability and productive capacity of highly productive land for primary production by making changes to their regional policy statements and district plans to:

- a. prioritise the use of highly productive land for primary production*
- b. consider giving greater protection to areas of highly productive land that make a greater contribution to the economy and community;*
- c. identify inappropriate subdivision, use and development of highly productive land; and*
- d. protect highly productive land from the identified inappropriate subdivision, use and development.*

2.8 The definition of “primary production” in Section 5.5 (Interpretation) of the Proposed NPSHPL is as follows:

- a. any agricultural, pastoral, horticultural, or forestry activities; and*
- b. includes initial processing, as an ancillary activity, of commodities that result from the listed activities in a); and*
- 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.*

2.9 Proposed Policy 2 is focused on maintaining the availability and productive capacity of highly productive land for “primary production”. However, RCNZ is concerned that the definition of “primary production” is not sufficiently broad enough to cover key activities that support primary production activities and have a functional need to locate in the same rural areas (e.g. rural contractor depots). For full certainty, RCNZ seeks that either Proposed Policy 2 or the definition of “primary production” be amended so that such activities are recognised as an appropriate and essential use of highly productive land.

2.10 Similarly, proposed Policy 5 (Reverse sensitivity) requires territorial authorities to amend their District Plans to identify the typical activities and effects associated with “primary production activities” on highly productive land that should be anticipated and tolerated in rural areas, and to appropriately manage new sensitive and incompatible activities so that reverse sensitivity effects are avoided. RCNZ considers that either Proposed Policy 2 or the definition of “primary production” should be amended so that activities that support primary production activities and have a functional need to locate in the same rural areas (e.g. rural contractor depots) are recognised as an appropriate and essential use of highly productive land and are adequately protected from reverse sensitivity effects.

2.11 The aforementioned suggested amendments would ensure greater consistency with the definitions for General Rural Zone and Rural Production Zone in the National Planning Standards which both state that in addition to being used predominantly for primary production activities, each 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”.

2.12 Rural contractors are critical in ensuring the prosperity, security, and sustainability of New Zealand’s pastoral and forestry sectors which are the backbone of our economy and their

continued success is essential to this country's living standards. Sound planning is required to ensure that activities that are integral to the rural industry such as rural contractors are sufficiently recognised, provided for and protected for future generations in terms of key planning documents such as the Proposed NPSHPL.

3 SPECIFIC SUBMISSION POINTS

3.1 RCNZ's specific submission points are provided in Attachment A.

3.2 In respect of all of those submission points in Attachment A, RCNZ seeks:

- Where specific wording has been proposed, words or provisions to similar effect;
- All necessary and consequential amendments, including any amendments to the provisions themselves or to other provisions linked to those provisions submitted on, and including any cross references in other chapters; and
- All further relief that are considered necessary to give effect to the concerns described above and in Attachment A.

Signature:

RURAL CONTRACTORS NEW ZEALAND INCORPORATED
by its authorised agents Mitchell Daysh Limited



G.J. Mathieson

Date:

10 October 2019

ATTACHMENT A: RURAL CONTRACTOR NEW ZEALAND'S SUBMISSIONS ON THE PROPOSED NATIONAL POLICY STATEMENT FOR HIGHLY PRODUCTIVE LAND

REF	PROVISION	PAGE	SUPPORT OPPOSE	RURAL CONTRACTOR NZ'S REASONS	RELIEF SOUGHT
1	Proposed Policy 2: Maintaining highly productive land for primary production Section 5.5 Definition of "primary production"	42 50	Support in part	<p>Policy 2 (Maintaining highly productive land for primary production) is focused on maintaining the availability and productive capacity of highly productive land for "primary production". RCNZ supports Policy 2 on the basis that it is prudent to protect areas of highly productive land for primary production activities. However, RCNZ is concerned that the definition of "primary production" is not sufficiently broad enough to cover key activities that support primary production activities and have a functional need to locate in the same rural areas, such as rural contractor depots.</p> <p>Due to the nature of their business, rural contractor depots are typically established in rural areas in close proximity to their core market of primary production activities (to reduce travel time and associated costs). Further, many rural contractor depots are set up as an additional seasonal business within an existing farming operation. Accordingly, it is essential that the ability to establish rural contractor depots on highly productive land is retained. For full certainty, RCNZ seeks that either proposed Policy 2 or the definition of "primary production" be amended so that such activities are recognised as an appropriate and essential use of highly productive land. This approach would ensure greater consistency with the definitions for General Rural Zone and Rural Production Zone in the National Planning Standards which both state that in addition to being used predominantly for primary production activities, each zone "may also be used for a range of activities that support primary production"</p>	<p><u>Either:</u></p> <p>Amend Proposed Policy 2 as follows:</p> <p><i>Local authorities must maintain the availability and productive capacity of highly productive land for primary production by making changes to their regional policy statements and district plans to:</i></p> <ol style="list-style-type: none"> <i>prioritise the use of highly productive land for primary production (<u>and supporting activities that require a rural location (e.g. rural contractor depots)</u>).</i> <i>consider giving greater protection to areas of highly productive land that make a greater contribution to the economy and community;</i> <i>identify inappropriate subdivision, use and development of highly productive land; and</i> <i>protect highly productive land from the identified inappropriate subdivision, use and development.</i> <p><u>Or:</u></p> <p>Amend the definition of "primary production" as follows:</p> <ol style="list-style-type: none"> <i>any agricultural, pastoral, horticultural, or forestry activities; and</i> <i>includes activities that support the listed activities in a) and require a rural location (e.g. rural contractor depots);</i> <p><u>and</u></p>

				<i>activities, including associated rural industry, and other activities that require a rural location”.</i>	<ul style="list-style-type: none"> c. <i>includes initial processing, as an ancillary activity, of commodities that result from the listed activities in a); and</i> d. <i>includes any land and buildings used for the production of the commodities from a) and used for the initial processing of the commodities in bc); but</i> e. <i>excludes further processing of those commodities into a different product.</i>
2	Proposed Policy 5: Reverse Sensitivity Section 5.5 Definition of “primary production”	47 50	Support in part	<p>Proposed Policy 5 (Reverse sensitivity) requires territorial authorities to amend their district plans to identify the typical activities and effects associated with “<i>primary production activities</i>” on highly productive land that should be anticipated and tolerated in rural areas, and to appropriately manage new sensitive and incompatible activities so that reverse sensitivity effects are avoided. RCNZ is concerned that the definition of “<i>primary production</i>” is not sufficiently broad enough to cover key activities that support primary production activities and have a functional need to locate in the same rural areas (e.g. rural contractor depots).</p> <p>Due to the nature of their business, rural contractor depots are typically established in rural areas in close proximity to their core market of primary production activities (to reduce travel time and associated costs). Further, many rural contractor depots are set up as an additional seasonal business within an existing farming operation. Accordingly, it is essential that the ability to establish rural contractor depots on highly productive land is retained. For full certainty, RCNZ seeks that either proposed Policy 5 or the definition of “<i>primary production</i>” be amended so that such activities are recognised as an appropriate and essential use of highly productive land and are adequately protected from reverse sensitivity effects. This approach would ensure greater consistency with the definitions for General Rural Zone and Rural</p>	<p><u>Either:</u></p> <p>Amend Proposed Policy 5 as follows:</p> <p><i>Territorial authorities must recognise the potential for sensitive and incompatible activities within and adjacent to areas of highly productive land to result in reverse sensitivity effects and amend their district plans to:</i></p> <ul style="list-style-type: none"> a. <i>identify the typical activities and effects associated with primary production activities on highly productive land that should be anticipated and tolerated in rural areas (including supporting activities that require a rural location (e.g. rural contractor depots));</i> b. <i>restrict new sensitive and potentially incompatible activities on highly productive land to ensure these do not compromise the efficient operation of primary production activities (and supporting activities that require a rural location (e.g. rural contractor depots));</i> c. <i>establish methods to avoid or mitigate reverse sensitivity effects including through setbacks and the design of developments; and</i> d. <i>establish methods to avoid or mitigate reverse sensitivity effects at the interface between areas of highly productive land and adjacent residential and rural lifestyle zones.</i>

			<p>Production Zone in the National Planning Standards which both state that in addition to being used predominantly for primary production activities, each zone <i>“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”</i>.</p>	<p><u>Or:</u> Amend the definition of <i>“primary production”</i> as follows:</p> <ul style="list-style-type: none"> a. <i>any agricultural, pastoral, horticultural, or forestry activities; and</i> b. <i><u>includes activities that support the listed activities in a) and require a rural location (e.g. rural contractor depots);</u></i> <i><u>and</u></i> c. <i>includes initial processing, as an ancillary activity, of commodities that result from the listed activities in a);</i> <i>and</i> d. <i>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</i> e. <i>excludes further processing of those commodities into a different product.</i>
--	--	--	---	--