

Sub ID 61 & 62

TABLED DOCUMENT NO. 49
DATE _____

IN THE MATTER

of the Resource Management
Act 1991

AND

IN THE MATTER

Proposed Bay of Plenty
Regional Council, Regional
Natural Resources Plan, Plan
Change 13 Hearing

**STATEMENT OF EVIDENCE OF STEFAN CRADDOCK ON BEHALF OF
SANCRA FARMS LIMITED (SUBMITTER #61) AND
CRADDOCK FARMS LIMITED (SUBMITTER #62)**

- 1.1 I refer to both our companies submissions lodged in April 2018 on the Plan Change 13 (Air Quality) to the Regional Natural Resources Plan
- 1.2 Specifically I would now like to focus on point a) ii) of our submissions which relates to the limited assessment criteria in PC13 relating to free range poultry activities. This results in a limited understanding of how any consent application would be assessed
- 1.3 'Chicken farming' is a generic term that encompasses a range of different poultry activity that can have very different processes and therefore potential effects.
- 1.4 This submission relates singularly to the activity of free range egg farming which is a growing sector in New Zealand as a whole due to consumer and regulatory change. Scale and intensity for this type of farming is limited by outside range requirements as regulated by the Code of Welfare (Layer Hens) 2012. Minimum Standard No 6 of this code requires that no more than 2500 hens per hectare can be stocked.
- 1.5 This stocking density requirement to meet the criteria of free range also provides a limitation to reduce intensity and any potential effects. The free range nature of the farming method also ensures that houses are spread across a site which reduces cumulative effects that you may see in more intensive housing types. For these reasons the Air Quality effect of our activity is in my opinion substantially less than the perception of the effect.
- 1.6 Sancra Farms operates a free range farm in Rotorua District with a current capacity of 75,000 hens. The maximum farm capacity on this site of 127 acres would be 100,000 hens. The farm has been built since November 2015 and is to my knowledge the only commercial free range layer farm in the District in production. The investment in this farm was in excess of \$10m and it was built using contractors almost entirely from the Bay of Plenty area.

- 1.7 Craddock Farms owns 160 acres of land also in the Rotorua District that has been consented to build a 75,000 hen free range farm. This development will commence site works before the end of the year and will also cost in excess of \$10m
- 1.8 The above examples show how free range egg farming is a new business activity in the Bay of Plenty and is contributing to the regional economy through investment. Our business activity also generates new employment. Sancra Farms alone is paying approximately \$15k per week in wages to local people. This is real new employment that never existed prior to late 2015, and is money that goes back into the local economy
- 1.9 In developing farms we are also investing substantial capital that then has a significant ratings uplift under capital value for the District councils. I am not aware of any other farming type in the district that would contribute so much in capital investment or employment on farm lots that would be sub economic to use for other types of farming. Compare the ratings capital value and number of employees on a site we have developed with what would occur on the same site if it remained a run off block for pasture farming
- 1.10 Our activity also further diversifies the local farming economy making it more robust and less dependent on one predominant farming type that can experience cyclical lows
- 1.11 My points 1.6 to 1.10 above show the clear benefits of our business activity in this region if it can be carried out in a way where any environmental effect is less than minor. Whilst I understand the need for resource consenting and broadly support the RMA and regional council plans that derive from it, my own experience is that uncertainty around consenting is a present and substantial barrier to investment
- 1.12 The biggest issue we face is the need to purchase land prior to applying for consents. The basket of consents required to operate our sites can take 2 years to obtain even in favourable circumstances. Site selection has become a dark art where risk is heavily placed on the investor if during the consent process objections whether valid or not are raised by neighbouring land owners
- 1.13 My general criticism of the RMA is that it is now sometimes used as a way to stop development by raising objections on the basis of environmental effect when the real objection if we are honest is more around competition for land or land use
- 1.14 In my experience which includes an Environment Court case, odour is a hugely subjective field. Each of the FIDOL factors are debatable and arguable, difficult to clearly define and particularly in the case of the O & L subject to emotive viewpoints
- 1.15 Generally I have found the council officers who process these consents to be capable, experienced and have a good perception of whether an activity can create a real issue or not. They often exhibit a far more practical view of the issues than 'experts' who invariably end up paid to disagree when conflicts occur

- 1.16 It would seem that the most appropriate way forward for our industry is guided separation distances from sensitive receptors. Ideally these would need to give consideration to farming type and not simply lump together all different forms of 'chicken farming'

Summary

- 1.17 In its current form PC13 places free range egg farming as a Discretionary activity and provides no assessment criteria different from any other activity. Some form of assessment criteria would provide more direction and guidance to site selection in the early stages of investment
- 1.18 The risk for us is present through not correctly understanding or determining consenting criteria. A good regional plan in my view should offer broad guidance to industry on how particular activities are to be assessed and approached by council
- 1.19 A lack of guidance or defined assessment criteria is likely to create confusion, increase the likelihood of poor decision making and ultimately lead to disputes

Stefan Craddock
25 October 2018