

**IN THE ENVIRONMENT COURT  
CHRISTCHURCH REGISTRY**

ENV

**Under** the Resource Management Act 1991  
**In the matter** of appeals under clause 14(1) of the First Schedule to the Act

**Between** **FEDERATED FARMERS OF NEW ZEALAND (INC) MACKENZIE  
BRANCH**  
ENV-CHC-2009-000193

**HIGH COUNTY ROSEHIP ORCHARDS LIMITED AND  
MACKENZIE LIFESTYLE LIMITED**  
ENV-2009-CHC-000175

**MOUNT GERALD STATION LIMITED**  
ENV-2009-CHC-000181

**MACKENZIE PROPERTIES LIMITED**  
ENV-2009-CHC-000183

**MERIDIAN ENERGY LIMITED AND GENESIS ENERGY  
LIMITED**  
ENV-2009-CHC-000184

**THE WOLDS STATION LIMITED**  
ENV-2009-CHC-000187

**FOUNTAINBLUE LIMITED & OTHERS**  
ENV-2009-CHC-000190

**R, R AND S PRESTON AND RHOBOROUGH DOWNS LIMITED**  
ENV-2009-CHC-191

**HALDON STATION**  
ENV-2009-CHC- 000192

Appellants

**And** **MACKENZIE DISTRICT COUNCIL**  
Respondent

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**STATEMENT OF EVIDENCE OF MICHAEL COPELAND ON BEHALF OF MT  
GERALD STATION**

**19 August 2016**

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## INTRODUCTION

### Qualifications and Experience

- 1 My name is Michael Campbell Copeland.
- 2 I am a consulting economist and managing director of Brown, Copeland and Company Limited, a firm of consulting economists which has undertaken a wide range of studies for public and private sector clients in New Zealand and overseas.
- 3 During the period 1990 to 1994, I was also a member of the Commerce Commission and during the period 2002 to 2008 I was a lay member of the High Court under the Commerce Act. Prior to establishing Brown, Copeland and Company Limited in 1982, I spent six years at the New Zealand Institute of Economic Research and three years at the Confederation of British Industry.
- 4 I hold a Bachelor of Science degree in mathematics and a Master of Commerce degree in economics. I have over 35 years' experience in the application of economics to various areas of business, including resource management matters. A summary of my curriculum vitae is attached as **Annexure A**.
- 5 With respect to the Resource Management Act 1991 ("**RMA**"), I have prepared evidence for clients covering a number of projects and policies. A selection of these is listed at the end of my curriculum vitae in **Annexure A**.

### Code of Conduct

- 6 I acknowledge that I have read and am familiar with the Environment Court's Code of Conduct for Expert Witnesses, contained in the Environment Court Practice Note 2014, and agree to comply with it. My qualifications as an expert are set out above. Other than where I state that I am relying on the advice of another person, I confirm that the issues addressed in this statement of evidence are within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

## SCOPE OF EVIDENCE

- 7 I have been asked by Mount Gerald Station Limited to assess the economic implications of provisions within the Mackenzie District Council's post consultation Plan Change 13 (PC13) to limit pastoral intensification in certain areas within the Mackenzie Basin. Pastoral intensification within the Mackenzie Basin Subzone is defined within PC13 to mean "*cultivation, irrigation, topdressing and oversowing and/or direct drilling.*"
- 8 Rule 15A.3.2 of PC13 specifies that pastoral intensification in the Mackenzie Basin Subzone is a non-complying activity in certain specified areas including within a Site of Natural Significance, Scenic Grasslands, Lakeside Protection Areas and tussock grasslands within 1 km of State Highway 8, Haldon Road, Godley Peaks Road or Lilybank Road. An exception is made within an area for which a water permit to take and use water for the purpose of irrigation has been granted by the Canterbury Regional Council prior to 14 November 2015 (see Rule 15A.1.2 (b)). Where this is the case pastoral intensification, including cultivation, topdressing and oversowing and/or direct drilling as well as irrigation, is a permitted activity.
- 9 As a non-complying activity, pastoral intensification in these specified areas without an existing water permit could only be enabled if a resource consent was sought and granted, but obtaining a consent will be more onerous than for controlled, discretionary or restricted discretionary activities.
- 10 The limiting of pastoral intensification in the specified areas will negatively impact on the financial, economic and social benefits from pastoral farming within the Mackenzie District. However, I understand that the purpose of limiting pastoral intensification in these areas is broadly twofold – (i) to safeguard the landscape environment; and (ii) to positively impact on the financial, economic and social benefits from tourism within the Mackenzie District. My evidence is limited to a consideration of the economic impacts of the proposed measures on pastoral farming and tourism. Mr Chris Glasson (Mount Gerald Station Limited's landscape architect) will address the effectiveness of some of the provisions relating to pastoral intensification from a landscape perspective.
- 11 Following a summary, the remainder of my evidence is in five parts:
- 11.1 The relevance of economic effects under the RMA;

- 11.2 The economic costs of the proposed measures in PC13 limiting pastoral intensification within the Mackenzie District;
- 11.3 The economic benefits of the proposed measures in PC13 limiting pastoral intensification within the Mackenzie District;
- 11.4 A review of Dr Fairgray evidence, prepared on behalf of the Mackenzie District Council, and assessing the economic implications of the proposed controls on pastoral intensification in PC13; and
- 11.5 My conclusions.

## **SUMMARY**

- 12 Community economic wellbeing, the efficient development and use of resources and economic growth and employment opportunities are relevant concepts under the RMA.
- 13 Both agriculture and tourism are significant sectors within the Mackenzie District economy.
- 14 Restrictions on pastoral intensification (which includes not only irrigated dairy farming but other types of farming and activities other than irrigation) will impose economic costs on the Mackenzie District economy.
- 15 There is no evidence that the PC13 restrictions on pastoral intensification on the specified land will lead to the retention of, or increase in, tourism economic benefits for the Mackenzie District.
- 16 There are economic benefits to a district's economy from diversification. The District Plan provisions should encourage both pastoral farming and tourism activities, not one or the other. Both pastoral farming and tourism have potential external economic and non-economic effects, which need to be managed.
- 17 The proposed PC13 restrictions making pastoral intensification on the specified land a non-complying activity will discourage farmers from seeking resource consents for pastoral intensification activities even where there would be no landscape degradation from the continuation or commencement of such activities.

- 18 The proposed PC13 restrictions on pastoral intensification on the specified land are not consistent with “people and communities economic wellbeing” or the “efficient use and development of natural and physical resources”.

## **ECONOMICS AND THE RMA**

### **Community Economic Wellbeing**

- 19 Economic considerations are intertwined with the concept of the sustainable management of natural and physical resources, which is embodied in the RMA. In particular, Part II section 5(2) refers to enabling “*people and communities to provide for their ... economic ... well being*” as a part of the meaning of “*sustainable management*”, the promotion of which is the purpose of the RMA.
- 20 As well as indicating the relevance of economic effects in considerations under the RMA, this section also refers to “*people and communities*”, which highlights that in assessing the impacts of a proposal it is the impacts on the community and not just particular individuals or organisations that must be taken into account. This is underpinned by the definition of “*environment*” which also extends to include people and communities.
- 21 Limiting pastoral intensification on specified pastoral land within the Mackenzie District will reduce levels of economic activity, employment and incomes for farmers, their employees and local businesses and their employees engaged in providing goods and services to farmers and their employees. To this extent the proposals will negatively impact on community economic well being. If the measures proposed to limit pastoral intensification on the specified land maintain or enhance tourism related economic activity, employment and incomes there will be positive economic impacts on community economic wellbeing. However to the extent tourist visits to the area are prompted by its farming history the reverse may be true. These impacts are discussed later in my evidence.

### **Economic Efficiency**

- 22 Part II section 7(b) of the RMA notes that in achieving the purpose of the Act, all persons “*shall have particular regard to ... the efficient use and*

*development of natural and physical resources*” which includes the economic concept of efficiency<sup>1</sup>. Economic efficiency can be defined as:

*“the effectiveness of resource allocation in the economy as a whole such that outputs of goods and services fully reflect consumer preferences for these goods and services as well as individual goods and services being produced at minimum cost through appropriate mixes of factor inputs”<sup>2</sup>.*

- 23 More generally economic efficiency can be considered in terms of:
- 23.1 Maximising the value of outputs divided by the cost of inputs;
  - 23.2 Maximising the value of outputs for a given cost of inputs;
  - 23.3 Minimising the cost of inputs for a given value of outputs;
  - 23.4 Improving the utilisation of existing assets; and
  - 23.5 Minimising waste.
- 24 Limiting pastoral intensification on specified land within the Mackenzie Basin will prevent the retention of, and increases in, land productivity and therefore reduce economic efficiency. Also there are economic efficiency benefits from economies of scale which may be lost or forgone by preventing the retention of, and increases in, levels of economic activity associated with pastoral intensification within the District. Retained or increased economic activity as a consequence of maintained or enhanced tourism activity within the District could be expected to bring economic efficiency benefits. These efficiency impacts are discussed later in my evidence.

### **Economic Growth and Employment**

- 25 Section 32A 2(a) of the RMA requires reports prepared under the Act to:

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<sup>1</sup> See, for example, in *Marlborough Ridge Ltd v Marlborough District Council* [1998] NZRMA 73, the Court noted that all aspects of efficiency are “*economic*” by definition because economics is about the use of resources generally.

<sup>2</sup> Pass, Christopher and Lowes, Bryan, 1993, *Collins Dictionary of Economics* (2<sup>nd</sup> edition), Harper Collins, page 148.

*“Identify and assess the benefits and costs of the environmental, economic, social and cultural effects that are anticipated from the implementation of the provision, including the opportunities for:*

*Economic growth that are anticipated to be provided or reduced; and*

*Employment that are anticipated to be provided or reduced.”*

- 22 This section of the RMA again highlights that economic costs and benefits and economic growth and employment effects are relevant under the RMA.

### **Viewpoint**

- 23 An essential first step in carrying out an evaluation of the positive and negative economic effects of plan provisions is to define the appropriate viewpoint that is to be adopted. This helps to define which economic effects are relevant to the analysis. Typically a district (city) or wider regional viewpoint is adopted and sometimes even a nationwide viewpoint might be considered appropriate.
- 24 For the provisions in PC13 preventing pastoral intensification on the specified land, the economic costs and benefits will primarily impact on businesses and residents of the Mackenzie District. Therefore a Mackenzie District viewpoint is appropriate. To the extent there are spill over economic effects for other nearby districts and regions a wider viewpoint can be adopted.

### **Non-economic Effects**

- 25 My evidence addresses the economic effects<sup>3</sup> of the provisions in PC13 restricting pastoral intensification on certain land within the Mackenzie Basin. Non-economic effects (i.e. the environmental, social and cultural effects) are addressed in the evidence of other technical experts.
- 26 In economics, ‘intangible’ costs and benefits are defined as those which cannot be quantified in monetary terms. Sometimes attempts can be made to estimate monetary values for ‘intangible’ non-economic costs and benefits using techniques such as willingness to pay surveys or inferring values on the basis of differences in property values. Once quantified in monetary

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<sup>3</sup>Sometimes economic effects can have a social dimension – e.g. employment and income effects.

terms, these effects can supposedly be considered as part of the assessment of economic effects.

- 27 However, such techniques are frequently subject to uncertainty and criticism. In my opinion it is generally better to not attempt to estimate monetary values for these effects but to leave them to be assessed by appropriately qualified experts and for their assessments to form part of the application of the relevant legal test. This also avoids the danger of ‘double-counting’ – i.e. including them within a quantified measure of economic wellbeing or efficiency and treating them as a separate consideration.<sup>4</sup>

### **Inconsistent Assessment**

- 28 PC13 makes pastoral intensification a permitted activity *“within an area for which a water permit to take and use water for the purpose of irrigation has been granted by the Canterbury Regional Council prior to 14 November 2015, the consent has not lapsed and effects on the outstanding natural landscape have been addressed through the regional consenting process.”*
- 29 It could also be argued that the PC13 provisions are inequitable in that farmers who were in the process of seeking irrigation consents in November 2015 but had not yet secured consents are being treated differently to those farmers fortunate enough to have secured irrigation consents at that time. Given that the Canterbury Regional Council consenting process includes consideration of any effects on outstanding natural landscape, there appears no economic benefit in the District Plan not allowing irrigation consent applications to the Canterbury Regional Council to proceed.

### **THE ECONOMIC COSTS OF LIMITING PASTORAL INTENSIFICATION**

- 30 The provisions within PC13 limiting pastoral intensification activities on the specified land within the Mackenzie Basin will reduce the productivity of the land and there will be forgone increases in land productivity. As covered in the previous section of my evidence, the proposed provisions restricting pastoral intensification affect not just irrigation but other dryland pastoral intensification activities.

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<sup>4</sup> Also I would note that whilst some economists frequently discuss qualitatively the methods by which monetary values can be estimated for non-economic or “intangible” effects, they seldom, if ever, actually undertake the analysis required to make such estimates.

- 31 From my review of Dr Fairgray's evidence, which I specifically address later in my evidence, I believe it is not contentious that:
- 31.1 In terms of expenditure, employment and incomes, agriculture is a significant sector within the Mackenzie District economy (in economic terms the so-called "direct economic effects"). For example, the agricultural sector accounts for around 17% of the total employment in the Mackenzie District<sup>5</sup>;
  - 31.2 Farms and those employed on them purchase a wide range of goods and services from businesses within the District and this provides additional employment and incomes for local business owners and residents beyond the farm-gate, especially in the District's main urban centres (in economic terms the so-called "indirect economic effects");
  - 31.3 The proposed PC13 provisions restricting pastoral intensification will reduce both the direct and indirect expenditure, employment, and income impacts for the Mackenzie District economy.
- 32 As indicators of levels of economic activity, economic impacts in terms of increased expenditure, incomes and employment within the local economy are not in themselves measures of improvements in economic welfare or economic wellbeing. However, there are economic welfare enhancing benefits associated with increased levels of economic activity. These relate to one or more of:
- 32.1 Increased economies of scale: Businesses and public sector agencies are able to provide increased amounts of outputs with lower unit costs, hence increasing profitability or lowering prices;
  - 32.2 Increased competition: Increases in the demand for goods and services allow a greater number of providers of goods and services in markets and there are efficiency benefits from increased levels of competition;

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<sup>5</sup> Source: Statistics New Zealand, NZ. Stat, Business demography statistics.

- 32.3 Reduced unemployment and underemployment<sup>6</sup> of resources: To the extent resources (including labour) would be otherwise unemployed or underemployed, higher levels of economic activity can bring efficiency benefits when there is a reduction in unemployment and underemployment. The extent of such gains is of course a function of the extent of underutilized resources within the local economy at the time and the match of resource requirements and those resources unemployed or underemployed within the local economy; and
- 32.4 Increased quality of central government provided services: Sometimes the quality of services provided by central government such as education and health care are a function of population levels and the breadth and quality of such services in a community is higher with higher levels of economic activity, particularly to the extent they lead to or maintain higher levels of population.
- 33 Limiting pastoral intensification activities on the specified farm land, by lowering farm expenditure, employment and incomes, will lower the “critical mass” of the District’s economy, leading to reduced economies of scale, reduced levels of competition, reduced resource utilisation and possibly inferior central government provided services. Therefore the provisions will negatively impact on “community economic wellbeing” and the efficient use of resources within the District. Also by lowering land productivity, the provisions will directly reduce the efficient use of resources.
- 34 At the individual farm level restrictions on pastoral intensification will also impact on scale economies, especially in conjunction with other restrictions on land use – e.g. from other district plan controls and from tenure review.<sup>7</sup>
- 35 The provisions of PC 13 still allow for resource consents to be sought for pastoral intensification on the specified land. However a non-complying activity, consents for pastoral intensification will be onerous to achieve – certainly more onerous than if pastoral intensification was accorded controlled, discretionary or restricted discretionary activity status on the

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<sup>6</sup>Underemployment differs from unemployment in that resources are employed but not at their maximum worth; e.g. in the case of labour, it can be employed at a higher skill and/or productivity level, reflected in higher wage rates.

<sup>7</sup>See the evidence of Nicola Scott.

specified land. Further, there will be additional costs in applying for and processing resource consent applications for non-complying activities and there will be a disincentive for affected farmers to apply for such consents.

## THE ECONOMIC BENEFITS OF LIMITING PASTORAL INTENSIFICATION

36 The provisions within PC13 preventing pastoral intensification activities on the specified land within the Mackenzie Basin will produce economic benefits to the extent that such restrictions enable the retention and/or expansion of tourism activities within the Mackenzie District.<sup>8</sup>

37 Again on the basis of my review of Dr Fairgray's evidence I believe it is not contentious that:

37.1 Tourism is an important contributor to the Mackenzie District economy. The accommodation and food sector and the retail trade sector account for about 30% and 9% of the District's total employment respectively. However these sectors also meet the needs of local residents and businesses so overstate the direct economic impacts of tourism to the District's economy. Parts of other sectors (e.g. transport and storage (3% of total employment) and arts and recreation services (6% of total employment) also contribute to tourism activities within the District); and

37.2 There are additional indirect economic effects from tourism as a result of those businesses and employees engaged in tourism activities purchase goods and services from local businesses within the District.

38 However, there exists no evidence to suggest that the proposed measures in PC13 preventing pastoral intensification activities on the specified land will in fact contribute to the retention and/or enhancement of tourism activity within the District. Mr Glasson's evidence addresses the likely impact on the landscape visual amenity of the proposed measures. However even if the proposed measures have an impact on the landscape visual amenity, I would note:

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<sup>8</sup> These provisions may also seek to achieve other benefits such as environmental or cultural benefits from the preservation of landscape values but in my view such benefits are best analysed outside of an economic framework by the appropriate technical experts. I understand that Mr Chris Glasson is assessing landscape value effects on behalf of Mount Gerald Station Limited.

- 38.1 Pastoral farming activities form a large part of the New Zealand rural landscape accessed by domestic and international tourists. They are not necessarily incompatible with tourism activities and can in fact be complementary to New Zealand's tourism offering (e.g. farm stays, shearing demonstrations, farming/station vistas, etc.);
- 38.2 Tourism activities within the Mackenzie District will involve a range of activities, not all of which include viewing the land that would be affected by the proposed limits on pastoral intensification on the specified land within the Mackenzie Basin;
- 38.3 A number of tourism visits to the Mackenzie District will be for the primary purpose of travelling to or from Central Otago and most of these visits will be relatively insensitive to any changes in views of the Mackenzie Basin landscape; and
- 38.4 The tourism industry within the Mackenzie District (and adjacent districts and regions) has grown over a period of time when pastoral intensification activities have been permitted, and have occurred, on the specified land - i.e. such activities have not previously deterred tourists visiting the District.
- 39 Therefore, whereas there are likely to be economic costs from the proposed PC13 provisions restricting pastoral intensification on the specified land, it is not clear that these provisions will contribute any economic benefits in the form of the retention of, or an increase in, tourism activity within the District.
- 40 Also there are economic benefits to a district's economy from diversification. The District Plan provisions should encourage both pastoral farming and tourism activities, not one or the other. There is no reason as to why the two sector groups should not co-exist within the District, especially since both industries are susceptible to exogenous shocks such as climatic events and changes in exchange rates, product prices and international and domestic customer preferences. Having greater diversity within the district cushions the local economy from changes in one or more of these sorts of variables.
- 41 Finally, both pastoral farming and tourism have potential external economic and non-economic effects, which need to be managed. Such effects are not confined only to pastoral farming, with potential negative external effects from tourism including increased road and other transport externalities (e.g. road

accidents, congestion, noise, carbon footprint, etc), increased demand for publicly provided infrastructure services, waste generation and landscape visual and other amenity effects. New Zealand's tourism resources are not infinite and already there are signs that tourist numbers will need to be managed in the future at particular locations – e.g. Aoraki/Mt Cook and the Tongariro Alpine Crossing.<sup>9</sup> Also local district councils in certain parts of New Zealand face difficulties meeting the costs of infrastructure required for tourists from their local business and resident rating base.<sup>10</sup>

## **DR FAIRGRAY'S EVIDENCE**

42 I have read the evidence of Dr Fairgray prepared for the Mackenzie District Council and which addresses the economic consequences of the proposed PC 13 restrictions on pastoral intensification. In response to Dr Fairgray's evidence I wish to make the following points:

42.1 Dr Fairgray's evidence focuses principally on a comparison of returns to irrigated dairy farming and the returns from tourism to the Mackenzie District economy.<sup>11</sup> However pastoral intensification, as defined by PC 13, covers much more than just irrigated dairy farming. In fact a key concern of affected landowners about the proposed new restrictions is the constraint they place on their ability to undertake non-irrigation related pastoral intensification activities.

42.2 There is no recognition in Dr Fairgray's evidence that tourism and pastoral farming can co-exist and that pastoral farming is an integral part of the New Zealand tourism offering;

42.3 There is no recognition in Dr Fairgray's evidence that economic externality costs can arise from tourism activities as well as from pastoral farming;

42.4 Whilst Dr Fairgray describes the local, regional and national economic benefits of tourism, he is unable to make any assessment

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<sup>9</sup> See [www.stuff.co.nz](http://www.stuff.co.nz) "Overcrowding a growing issue in New Zealand national parks"; 11 August, 2016.

<sup>10</sup> See for example [www.radionz.co.nz](http://www.radionz.co.nz) "Councils consider tax to help pay for tourists", 13 April, 2016; and [www.stuff.co.nz](http://www.stuff.co.nz) "John Key warms to visitor tax, says Kiwis could pay too", 12 August, 2016.

<sup>11</sup> For example, see paragraphs 4.10 to 4.20 and 5.21 to 5.27 of Dr Fairgray's evidence.

of the extent to which the proposed PC 13 provisions restricting pastoral intensification on the specified land in the Mackenzie Basin will lead to the retention or increase in tourism economic benefits for the District. He states at paragraph 5.50:

*“However, while we may be reasonably certain that the landscape is important for tourism, it is more difficult to estimate what proportion of Mackenzie District visitors are attracted to come because of the landscapes, and the proportions who would not visit otherwise, or who would visit less frequently and/or for shorter periods if the natural landscape was less attractive and/or other environment values were less.”*

And at paragraph 5.53:

*“While the possible impact on the tourism sector of a loss of landscape values would capture a substantial amount of the cost for Mackenzie’s economic activity, it would be nevertheless very difficult to quantify this effect, even in terms of visitor numbers and expenditure levels. This is because while there is a clear nexus between landscapes and visitor numbers to Mackenzie, the ability to reliably quantify that effect is problematic. There is no information to show the proportions of tourists for whom a visit to the Mackenzie Basin is incidental to their travel between Christchurch and Central Otago, for example.”*

And at paragraph 5.55:

*“Moreover, the sensitivity of visitor numbers to Mackenzie Basin’s landscape quality is not known. For example, even if it is assumed that all visitors to the Mackenzie District were attracted there only by landscape values, it is not possible to reliably estimate the reduction in visitors for any given reduction in the landscape values.”*

In other words, even if the proposed PC13 restrictions on pastoral intensification on the specified land led to the retention or enhancement of landscape values, there is no evidence that this would lead to the retention of, or increase in, tourism economic benefits for the District. In any case I understand that it is Mr Glasson’s evidence that, with respect to Mount Gerald, the proposed

Scenic Grassland Overlay and the protection given to tussock grasslands within rule 15A.3.2 go beyond what is necessary in order to retain or enhance landscape values, and as currently proposed would cover substantial areas that are not visible from any tourist road;

- 42.5 Dr Fairgray concludes that the proposed PC 13 provisions restricting pastoral intensification on the specified land in the Mackenzie Basin will impose significant costs on the Mackenzie District economy;<sup>12</sup>
- 42.6 Dr Fairgray's conclusion that the PC 13 provisions are likely to be efficient in economic terms relies on "process efficiency".<sup>13</sup> We are none the wiser from his evidence as to the substantive issue – that is, are the economic costs the provisions will impose on pastoral farming outweighed by the uncertain, if any, economic benefits from the retention of, or increase in, tourism economic benefits;<sup>14</sup>
- 42.7 Dr Fairgray's conclusion that the PC 13 provisions restricting pastoral intensification will allow the maximum amount of pastoral intensification without reducing landscape values<sup>15</sup> overlooks that farmers will be discouraged from seeking resource consents for pastoral intensification on the specified land even where landscape values may not be reduced. This will be because of (i) the costs of seeking resource consent for non-complying activities, and (ii) the low likelihood of success in obtaining resource consents for non-complying activities.

## CONCLUSION

- 43 Agriculture and tourism are both important sectors in the Mackenzie District economy.
- 44 Restrictions on pastoral intensification (which includes not only irrigated dairy farming but other types of farming and activities other than irrigation) will impose economic costs on the Mackenzie District economy.

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<sup>12</sup> See paragraph 7.6 of Dr Fairgray's evidence.

<sup>13</sup> See for example, paragraphs 7.2 to 7.5 of Dr Fairgray's evidence.

<sup>14</sup> See for example, paragraphs 5.57 to 5.59 of Dr Fairgray's evidence.

<sup>15</sup> See paragraph 6.25 of his evidence.

- 45 There is no evidence that the PC13 restrictions on pastoral intensification on the specified land will lead to the retention of, or increase in, tourism economic benefits for the Mackenzie District.
- 46 The proposed PC13 restrictions making pastoral intensification on the specified land a non-complying activity will discourage farmers from seeking resource consents for pastoral intensification activities even where there would be no landscape degradation from the continuation or commencement of such activities.
- 47 The proposed PC13 restrictions on pastoral intensification on the specified land are not consistent with “people and communities economic wellbeing” or the “efficient use and development of natural and physical resources”.

Michael Copeland

19 August, 2016.

## **ANNEXURE A**

### **CURRICULUM VITAE OF MICHAEL CAMPBELL COPELAND**

<b>DATE OF BIRTH</b>	3 October 1950
<b>NATIONALITY</b>	New Zealand
<b>EDUCATIONAL QUALIFICATIONS</b>	Bachelor of Science (Mathematics) 1971 Master of Commerce (Economics) 1972

#### **PRESENT POSITIONS**

(Since 1982)	Economic Consultant, Brown, Copeland & Co Ltd
(Since 2010)	Director, Healthcare New Zealand Holdings Limited
(Since 2012)	Director, Healthcare Rehabilitation Limited

#### **PREVIOUS EXPERIENCE**

1978-82	NZ Institute of Economic Research Contracts Manager/Senior Economist
1975-78	Confederation of British Industry Industrial Economist
1972-75	NZ Institute of Economic Research Research Economist
1990-94	Member, Commerce Commission
2001-06	West Coast Regional Council Trustee, West Coast Development Trust
2002-08	Lay Member of the High Court under the Commerce Act 1986
2003-11	Director, Wellington Rugby Union
2010-13	Director, Southern Pastures

#### **GEOGRAPHICAL EXPERIENCE**

- New Zealand
- Australia
- Asia (Cambodia, India, Indonesia, Kazakhstan, Malaysia, Nepal, Pakistan, People's Republic of China, Philippines, Tajikistan, Sri Lanka, Uzbekistan, Viet Nam)
- South Pacific (Cook Islands, Fiji, Tokelau, Tonga, Vanuatu, Western Samoa)
- United Kingdom

#### **AREAS OF PRIMARY EXPERTISE**

- Agriculture and Resource Use Economics (including Resource Management Act)
- Commercial Law and Economics (including Commerce Act)
- Development Programme Management
- Energy Economics
- Industry Economics
- Transport Economics

## **RESOURCE MANAGEMENT ACT SPECIFIC PROJECTS**

- Port storage facilities at Westport;
- The proposed Clifford Bay ferry terminal;
- The proposed pipeline and related facilities to utilise water from the Waikato River for metropolitan Auckland;
- A container terminal expansion by the Ports of Auckland;
- The proposed Variation No. 8 to the Wellington City District Plan covering height and other controls on development of the airspace above the Wellington railway yards;
- Proposed expansion of Paraparaumu town centre within the Kapiti Coast District;
- Wellington City Council's heritage preservation policy;
- Solid Energy's proposed West Coast Coal Terminal at Gracity;
- Solid Energy's Mt William North coal mine at Stockton in the Buller District;
- The proposed Waimakariri Employment Park;
- The designation of land for a proposed motorway extension in the Hawke's Bay;
- The Hastings District Council's Ocean Outfall – two consent renewal applications;
- A proposed new shopping and entertainment centre in Upper Hutt;
- Rezoning of land in Upper Hutt from Business Industrial to Residential;
- New regional correctional facilities in Northland, South Auckland, Waikato and Otago;
- Proposed controls on wake generation by vessels travelling within the waterways of the Marlborough Sounds;
- The expansion of marina facilities within the Marlborough Sounds;
- Southern Capital's proposed new township at Pegasus Bay, north of Christchurch;
- Renewal of water resource consents for the Tongariro Power Development Scheme;
- Economic analysis inputs to a Section 32 report for the Waitaki Water Allocation Board;
- The imposition of land use restrictions within noise contours surrounding Christchurch International Airport;
- The expansion of the Whangaripo Quarry in Rodney District;
- The economic significance of Winstone's proposed quarry at Wainui, in the north of Auckland City;
- A proposed five star hotel development for Wanaka;
- Holcim's proposed new cement plant near Weston in the Waitaki District;
- TrustPower's proposed new wind farm at Mahinerangi in Central Otago;
- TrustPower's proposed new Arnold hydroelectric power scheme on the West Coast;

- McCallum Bros and Sea Tow Limited's appeal before the Environment Court regarding extraction of sand from the Mangawhai-Pakiri embayment north of Auckland;
- The development of the Symonds Hill pit at Winstones' Hunua Quarry;
- The rezoning of land for residential development at Peninsula Bay, Wanaka;
- The rezoning of land for more intensive residential development at PekaPeka on the Kapiti Coast;
- A gondola development for the Treble Cone skifield;
- A gondola development for the Snow Farm and Snow Park skiing and snowboarding facilities;
- The extraction of gravel from the bed of the Shotover River;
- The proposed Hilton hotel development on Wellington's Queen's Wharf;
- Land use restrictions in relation to the Runway Extension Protection Areas for Christchurch International Airport;
- A new residential and commercial development by Apple Fields at Belfast on the outskirts of Christchurch;
- A proposed business park development on land at Paraparaumu Airport;
- The proposed redevelopment of Wellington's Overseas Passenger Terminal;
- The proposed Central Plains irrigation scheme in Canterbury;
- The staging of residential and business development at Silverdale North in the Rodney District;
- The redevelopment of the Johnsonville Shopping Centre;
- A Plan Change enabling the relocation of existing development rights for a residential and commercial development on Mount Cardrona Station in the Queenstown Lakes District;
- A new Pak'n Save supermarket at Rangiora;
- New supermarkets at Kaiapoi, Whitby, Silverstream and Havelock North;
- The extension of the TeRereHau wind farm in the Tararua District;
- MainPower's proposed new wind farm at Mount Cass;
- Fonterra's proposed new milk processing plant at Darfield and its subsequent expansion;
- Fonterra Pahiataua milk powder plant expansion;
- Fonterra's proposed new coal mine in the Waikato District;
- Assessment of the economic significance of ANZCO's Canterbury operations to the Canterbury regional economy;
- Resource consent extensions for Oceana Gold (New Zealand) Limited's gold mining operations at Macraes Flat in north-east Otago, the Globe Mine at Reefton and a proposed underground gold mine at Blackwater on the West Coast;
- Designation of land for NZTA's Waterview motorway project in Auckland;
- Designation of land and resource consents for NZTA's Transmission Gully motorway project in Wellington;
- Designation of land and resource consents for NZTA's MacKays to PekaPeka Expressway;
- Designation of land and resource consents for NZTA's PekaPeka to Otaki Expressway;
- Resource consents for NZTA's Basin Reserve Bridge Project;
- Resource consents for NZTA's Puhoi to Warkworth motorway extension;
- Assessment of the economic effects of a Queenstown Airport Corporation's proposed Notice of Requirement for the designation of additional land for aerodrome purposes;
- Assessment of the retail effects of proposed Plan Change 19 to the Queenstown Lakes District's District Plan;

- Assessment of the regional and national economic significance of Lyttelton Port;
- The economic benefits of utilising a Recovery Plan under the Canterbury Earthquake Recovery Act for the rehabilitation and enhancement of facilities at Lyttelton Port;
- The economic effects of the Lyttelton Port Company's Capital Dredging Project;
- Meridian's proposed new Mokihinui hydro scheme;
- Assessment of the economic effects of alternative wreck recovery options for the MV Rena;
- Assessment of the economic benefits and costs of Transpower's corridor management approach to giving effect to the National Policy Statement on Electricity Transmission in District and City Plans;
- Assessment of economic effects of a proposed extension to Arrowtown's urban boundary;
- Assessment of the economic benefits of overhead deployment of ultrafast broadband infrastructure;
- Assessment of the economic benefits of the proposed Ruataniwha Water Storage Scheme;
- Preparation of evidence for Transpower in relation to the proposed Ruakura development on the outskirts of Hamilton City;
- Preparation of two reports reviewing the economic benefits of the Hobbiton movie set at Matamata;
- Assessment of the economic benefits of renewal of a water discharge consent for Silver Fern Farm's Belfast meat processing plant;
- Preparation of evidence for Transpower in relation to the Proposed Auckland Unitary Plan;
- Preparation of evidence for Christchurch International Airport Limited, Transpower, Ngāi Tahu Property Limited, the Lyttelton Port Company, Tailorspace Limited, Church Property Trustees, the Roman Catholic Bishop of the Diocese of Christchurch, Pacific Park Limited, Fulton Hogan and the Christchurch Aggregates Producers Group in relation to the Proposed Christchurch Replacement District Plan.