Before the Expert Panel appointed under the Fast-track Approvals Act 2024

Under	the Fast-track Approvals Act 2024
And	
In the Matter of	an application for approvals by NZSki Limited to upgrade existing infrastructure at the Remarkables Ski Area, including a new passenger transport lift, carparking areas, and expanding the ski field into the adjacent Doolans Basin

Statement of Evidence of **Benjamin Robert Patterson** on behalf of NZSki Limited in response to Section 53 Comments

Economic

Dated: 3 November 2026

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INTRODUCTION

1. My full name is Benjamin Robert Patterson. I am known professionally as Benje Patterson.

2. I am a self-employed economist who specialises in regional economics. I have worked professionally as an economist for 15 years. For the last 7 years, I have been self-employed. Immediately prior to that, I was Senior Economist, Head Regions for a Wellington-based economic consultancy (Infometrics).

3. I hold a Master of Arts (Economics and Politics) from the University of Freiburg, Germany, as well as a Postgraduate Diploma in Economics and a Bachelor of Commerce (majoring in Economics and Finance) from the University of Otago.

4. I am a current member, and former board member, of Economic Development New Zealand, which is the industry body for economic development professionals in New Zealand. I was formerly a member of the Otago Regional Economic Development (**ORED**) working group, and I am a former Chair of the Arrowtown Promotion and Business Association (**APBA**). I am currently a Trustee of the Queenstown Trails Trust. I hold memberships with the Queenstown Business Chamber of Commerce and Destination Queenstown.

5. I have a high degree of familiarity with the Queenstown Lakes economy and am a resident of Arrowtown. I have worked on dozens of projects in the local area over recent years across a broad range of industries and have specific experience within the ski industry. My ski industry experience has included several previous projects related to the role of the ski economy and market assessments of skier demand for clients that have included RealNZ, NZSki, and Doppelmayr New Zealand. I am also personally familiar with the Doolans Basin, having both ski toured in the Basin in winter and crossed the Basin while trail running during summer.

6. This statement is given as part of NZSki Limited's (**NZSki**) response to comments on the Remarkables Ski Area Upgrade and Doolans Expansion (**Project**) made under Section 53 of the Fast-track Approvals Act 2024 (**FTA**). This statement responds to comments raised by the following parties, which either relate directly to my economic assessment or raise other economic matters:

   (a) Regulators:

      (i) Central Otago District Council (**CODC**), including the economic peer review prepared for CODC by Ms Natalie Hampson of Savvy Consulting Limited (Hampson);

(ii) Queenstown Lakes District Council (**QLDC**), including the economic peer review prepared for QLDC by Mr John Williamson of Ascari Partners Limited (Williamson) and the transportation review prepared by Abley Limited (Abley);

(iii) Otago Regional Council (**ORC**); and

(iv) Department of Conservation (**DOC**), including the planning assessment of Ms Jane Macleod for DOC, and the Otago Conservation Board (**OCB**) submission.

(b) Mana whenua:

(i) Kā Rūnaka, including the statement of evidence of Dr Richard Meade (Meade).

(c) Owners and occupiers:

(i) Queenstown Park Limited.

(d) Others:

(i) Crown Ministers (Hon Nicola Willis, Minister for Economic Growth; Hon James Meager, Minister for the South Island; and Hon Chris Bishop, Minister for Infrastructure); and

(ii) Queenstown Mountain Guides Limited (**QMG**).

7. My original findings are provided in full in Part B of the Substantive Application under "B.01 Economic assessment of the Remarkables Ski Area Upgrade and Doolans Expansion" (updated 9 June 2026). This report is referred to in this statement as the Economic Assessment.

8. My responses to the Section 53 comments rely primarily on content from the Economic Assessment, supplemented by additional information provided to me by NZSki and other material referenced in my responses. All financial figures are in New Zealand dollars and, unless otherwise stated, are expressed in 2025 prices.

9. My statement should be read in conjunction with the B.24 Integrated Transport Assessment and other related evidence on transport matters, which I refer to in Theme 5; and the B.07 Recreation Assessment prepared by Rob Greenaway and Associates and the evidence of Mr Greenaway, which I refer to in Theme 6.

10. If the Expert Panel requires elaboration on any of the matters raised in this statement, I am available to provide further information on request.

11. Although this is not an Environment Court proceeding, my confirmation of compliance with the Code of Conduct for Expert Witnesses in the Environment Court Practice Note 2023 is included in the Code of Conduct section at the front of the B.01 Economic Assessment submitted as part of the substantive application.

SPECIFIC RESPONSE TO COMMENTS

Approach to responding to comments

12. I have grouped my responses into themes. Where several parties raise the same matter, I respond to it once under the relevant theme. I refer to or quote the comments of a specific party when my response is particular to that party. Table 1 summarises the themes.

Table 1: Theme groupings for responses

Theme groupings for responses	Parties raising the theme
1. Agreement on substantial regional benefits	CODC, QLDC, ORC, DOC, OCB, Crown Ministers, Queenstown Park Limited
2. Gross versus net benefits	QLDC (Williamson), CODC (Hampson), Kā Rūnaka (Meade)
3. Additionality and the counterfactual	CODC (Hampson), Kā Rūnaka (Meade), QMG, Hon Nicola Willis
4. Attribution of visitor spending	QLDC (Williamson), CODC (Hampson), Kā Rūnaka (Meade)
5. Transport congestion as a monetised economic cost	QLDC (Williamson, Abley), Kā Rūnaka (Meade), CODC (Hampson), Queenstown Park Limited
6. Potential business effects on backcountry guiding operators	QMG
7. Construction impacts	CODC (Hampson), Kā Rūnaka (Meade)
8. Wider costs of growth	Kā Rūnaka (Meade), CODC (Hampson)
9. Geographic scale of significance	CODC (Hampson), ORC, Kā Rūnaka (Meade)

13. Where the comments raise matters outside my area of expertise, such as transport engineering, or measuring environmental and cultural effects, I say so and defer to the relevant experts in those fields.

Theme 1: Responses to comments regarding agreement on substantial regional benefits

14. All the regulators and Crown Ministers who addressed the Economic Assessment accepted that the Project is likely to deliver economic benefits of regional significance. In this section, I summarise this area of agreement, before responding in Themes 2 to 9 to the matters on which commentors expressed caution or that needed further clarification.

Table 2: Parties with comments related to "agreement on substantial regional benefits"

Theme	Related parties
1. Agreement on substantial regional benefits	CODC (Hampson) QLDC ORC DOC OCB Crown Ministers (Hon Nicola Willis, Hon James Meager, Hon Chris Bishop) Queenstown Park Limited

15. CODC's economic peer reviewer, Ms Hampson, concluded that the Project "is still likely to be of significance in the Otago Region economy" and that "I agree with Mr Patterson that the Project is likely to meet the purpose of the Act in so far as economic benefits are concerned" (Hampson, paragraphs 32 and 34).

16. Ms Hampson also stated that "the EA Report generally uses available tourism figures appropriately and transparently. There is also sufficient detail contained in the Report to enable me to replicate all of the analysis underpinning the Report and I have not found any computational errors" (Hampson, paragraph 5). She agreed that excluding local skier days from the analysis "is considered an appropriate assumption" (paragraph 6(a)), that no existing economic uses of the expansion land apply (paragraph 8), and that the low and high growth scenarios "do not 'over allocate' projected growth" in the national demand projection (paragraph 11). She recorded that all of the modelled economic impacts "are considered net additional of the counterfactual" (paragraph 7), and that she is "broadly supportive" of my view that there will not be material housing pressures attributable to the Project (paragraph 8). Ms Hampson's evidence expressed caution on some issues which are dealt with in subsequent themes in this statement.

17. QLDC stated that "In principle, the Council supports the extension to the skifield" (QLDC, paragraph 2.4) and that "QLDC does not dispute that the benefits of this Project are likely to be regionally significant" (paragraph 5.3). QLDC's economic peer reviewer, Mr Williamson, stated that "I agree with the general contention in the Economic Assessment prepared by Benje Patterson regarding the economic importance of Queenstown's winter sports industry for the regional and national economy" (Williamson, paragraph 1) and that "I concur that this Project has the potential to make a positive contribution to the regional and national economy" (paragraph 34). I respond to Mr Williamson's concerns about net benefits, the substitution of domestic spending, and transport congestion in Themes 2, 4, and 5 respectively.

18. ORC stated that "ORC considers that the proposal is a development project with economic benefits that are of regional significance. Accordingly, ORC considers that the purpose of the FTA would be met by facilitating delivery of the proposal" (ORC, paragraph 7). ORC concluded that "On balance, ORC considers that the Project is likely to generate benefits of regional significance, primarily through its economic benefits" (paragraph 27).

19. It is further noted that DOC's planning expert, Ms Macleod, recorded that "The position set out in the application is that the ski field expansion will have significant regional and national economic benefits, and that there is a functional need for the expansion in the proposed location. I do not contest this position" (Macleod, paragraphs 54 and 140). The OCB "recognises the social and economic importance of the ski industry to the Queenstown Lakes district" and "acknowledges the economic and recreational benefits identified by the applicant" (OCB, pages 2 and 5).

20. The Minister for Economic Growth, Hon Nicola Willis, concluded that "On balance, the proposal appears likely to deliver significant regional economic benefits under section 22(2)(a)(iv), principally through increased tourism activity and the scale of the proposed investment." The Minister for the South Island, Hon James Meager, concluded that "Given the scale of these projected benefits, the Project appears likely to deliver significant regional economic value." The Minister for Infrastructure, Hon Chris Bishop, expressed his "broad support for projects which deliver positive outcomes for New Zealand, including the Remarkables Ski Area Upgrades and Doolans Expansion Project".

21. Queenstown Park Limited, which owns land adjoining the Project, strongly supports the Project, including because "It supports Queenstown's and the New Zealand economy" (Queenstown Park Limited, page 1).

22. Ms Hampson reached her conclusion on significance not solely on the basis of the impacts quantified in the Economic Assessment, but also from "taking a broader perspective of some potential economic opportunities that the Project may unlock" (Hampson, paragraph 33). The opportunities she identified include that ski fields are limited in number and spatially constrained across New Zealand, that it is more economically efficient to expand existing ski fields than to create new ones, that the scale of the expansion in maximum operational skier days (3,500 to 6,000) is significant and supports economies of scale, that the investment may improve the confidence or commercial viability of other investment in the district, that expanding ski area capacity in New Zealand helps mitigate the leakage of domestic ski days to overseas resorts and improves New Zealand's reputation as a ski destination, that larger ski fields provide more feasible opportunities to attract international ski events,

that the construction of the Project will generate economic activity and help grow the region's capability for gondola construction, and that the operational benefits will begin to be felt in a relatively short time period. I agree with these observations. They are consistent with the conclusions of the Economic Assessment but were not quantified in it, and in that sense the Economic Assessment understates the full range of other types of economic benefits of the Project.

23. Matters in which invited parties and their peer reviewers expressed caution or sought further clarification are addressed in Themes 2 to 9.

Theme 2: Responses to comments regarding gross versus net benefits

24. Mr Williamson and Dr Meade consider that the Economic Assessment reports gross economic impacts when net benefits should have been considered to factor in other costs. Both Dr Meade and Ms Hampson note that future-year benefits should be summarised in present value terms.

Table 3: Parties with comments related to "Gross versus net benefits"

Theme	Related parties
2. Gross versus net benefits	QLDC (Williamson) CODC (Hampson) Kā Rūnaka (Meade)

25. There are two different senses in which the word "net" has been used by the economic experts, and it is useful to distinguish between them. The first use is whether the modelled effects are net of what would have happened anyway. On this point, the Economic Assessment is already a net assessment: the additional skier days, spending, GDP and employment in the low and high growth scenarios are measured relative to the counterfactual described in Section 7.3, in which the Project does not proceed. Ms Hampson reconciled this counterfactual with the national demand projection and recorded that all of the modelled economic impacts "are considered net additional of the counterfactual" (Hampson, paragraph 7). I address the counterfactual in more detail in Theme 3.

26. The second sense is whether direct economic costs have been netted off the benefits. The Economic Assessment considered the direct economic costs that would conventionally be netted off in an assessment of this kind, being the displacement of other recreational tourist spending and the loss of existing economic uses of the land on which the Project sits, and found that neither was measurable. Ms Hampson agreed that no existing economic uses apply to the expansion land (Hampson, paragraph 8). Other costs the commentators consider should also have been counted include transport congestion, effects on commercial backcountry

guiding operators, and the wider costs of visitor growth on housing, labour and infrastructure. I address each in Themes 5, 6, and 8, respectively. The only cost any party has quantified is transport congestion, and Mr Williamson describes the estimates as "a relatively small value compared to the potential economic impact (benefit) of the Project" (Williamson, paragraph 31).

27. Dr Meade also asks for the Project to be compared with reasonable alternative means of achieving the same capacity or visitor outcomes. The consideration of alternatives to the Project is addressed elsewhere in the application. From an economic perspective, the relevant question is whether the additional skier demand could be met without the Project, which is the counterfactual question addressed in Theme 3, which shows insufficient ski area capacity in the development pipeline elsewhere in New Zealand to satisfy potential growth in market demand.

28. On discounting, Ms Hampson and Dr Meade are correct that the comparisons in the Economic Assessment are presented on an annual basis, comparing the 2035 ski season with the 2025 baseline in constant 2025 prices, and that a present value was calculated only for the one-off construction effects. Annual comparisons were used because they allow the ongoing effects of the Project to be benchmarked directly against the size of the Queenstown Lakes and Otago economies, which is the most useful basis for judging regional significance. However, the cumulative benefit of the ongoing effects can also be calculated over a longer horizon. Table 4 presents further calculations of the present value of the Project's additional GDP over a 30-year horizon, which is a conservative assumption against a ropeway 'useful life' of 40 years, using the Treasury's 8% discount rate for commercial proposals. For consistency with the construction calculation in Section 6.4 of the Economic Assessment, the present values are discounted to 2025. The calculation assumes the additional activity builds in a straight line over the five seasons from 2030 to reach the full 2035 level, then continues at that level for the remainder of the 30 operating seasons.

Table 4: Present value of additional GDP over a 30-year horizon, 8% discount rate

Additional GDP from the Project (2025 prices)	Annual effect by 2035	Present value over 30 seasons at 8%
Queenstown Lakes, high growth scenario	$75.5m	$508m
Queenstown Lakes, low growth scenario	$50.7m	$341m
Otago Region, high growth scenario	$82.2m	$553m
Otago Region, low growth scenario	$55.1m	$371m
Construction (one-off total) for comparison	$61.9m over five years	$49.5m

29. On this basis, the ongoing effects of the Project have a present value of between $341 million and $508 million of additional GDP in Queenstown Lakes, and between

$371 million and $553 million across Otago Region. These present values are around seven to eleven times the one-off construction effect, which places the construction effects discussed in Theme 7 in perspective. The 8% rate is the higher of the two rates specified by the Treasury, and the present values would be considerably higher at the 2% rate that applies to non-commercial proposals and is recommended by the Treasury for sensitivity testing of commercial proposals.

Theme 3: Responses to comments regarding additionality and the counterfactual

30. Several commentors raised matters regarding whether the growth in skier days attributed to the Project would be additional to what would otherwise occur and if this growth could be accommodated elsewhere.

Table 5: Parties with comments related to "Additionality and the counterfactual"

Theme	Related parties
3. Additionality and the counterfactual	CODC (Hampson) Kā Rūnaka (Meade) QMG Hon Nicola Willis

31. Section 7 of the Economic Assessment sets out the market demand analysis that underpins the growth scenarios, and Section 7.3 sets out the counterfactual. In summary, potential market demand across the New Zealand ski industry is projected to grow by about 350,000 skier days a year over the next decade if the right ski area capacity is in place. The only other confirmed large-scale expansion in New Zealand, at Cardrona, is anticipated by its owner to add around 150,000 skier days, or about 40% of that potential growth. The remaining 60% is unlikely to be reliably serviced elsewhere, given the absence of other confirmed large-scale expansions and the constraints facing smaller or less snow-reliable fields. The high growth scenario assumes Remarkables captures that 60%, while the low growth scenario assumes it captures 40% with Cardrona competing strongly and other fields absorbing up to 20%. Ms Hampson reconciled these assumptions and confirmed that the scenarios do not over-allocate the projected national growth (Hampson, paragraph 11).

32. Dr Meade asks for an explicit comparison of 2035 with and without the Project. That comparison is contained in the Economic Assessment, but for completeness Table 6 below sets it out in one place. Under the counterfactual, activity supported by holidaymakers who ski at the Remarkables is held at its 2025 level because the existing ski area is at comfortable operating capacity on peak days, and additional

demand it could otherwise have served goes unmet. The difference between the "without" and "with" columns is the additional activity attributable to the Project.

Table 6: Comparison of 2035 with and without the Project (drawn from Economic Assessment, Tables 5, 6, 9 and 10)

Activity supported by holidaymakers who ski at the Remarkables (2025 prices)	2025 baseline	2035 without the Project	2035 with the Project (low)	2035 with the Project (high)
Skier days at the Remarkables	294,735	294,735	435,969	505,260
Visitor spending in Queenstown Lakes ($m pa)	$211.7m	$211.7m	$313.1m	$362.9m
GDP in Queenstown Lakes ($m pa)	$105.6m	$105.6m	$156.3m	$181.1m
Seasonal jobs in Queenstown Lakes	2,388	2,388	3,532	4,094
Visitor spending across Otago ($m pa)	$234.5m	$234.5m	$346.9m	$402.0m
GDP across Otago ($m pa)	$115.0m	$115.0m	$170.1m	$197.2m
Seasonal jobs across Otago	2,592	2,592	3,834	4,443

33. Ms Hampson also asks whether other ski areas have headroom. The low growth scenario already allows for other fields to absorb up to 20% of national growth. As noted in Section 7.3 of the Economic Assessment, even 20% of the projected national growth is about 70,000 skier days, which is close to the combined 2025 skier days of Porters, Round Hill and Mt Ohau or the equivalent of an almost 40% increase to Mt Hutt's 2025 skier days. I remain of the view that this scale of growth could not be reliably absorbed by other fields without significant new investment to expand capacity.

34. On the robustness of the national demand projection, Ms Hampson observes that a faster rate of growth is assumed for the next decade than occurred over the last, and questions whether participation in skiing can be held constant given the cost of skiing and the changing composition of the population. The propensity to participate in snowsports among New Zealanders has remained similar before and after the COVID-19 pandemic, with the Sport New Zealand Active NZ Survey showing an 8% participation rate in snowsports among New Zealand adults in 2017 and a 7% participation rate in 2023. Although the Active NZ Survey does not stretch back further, taking an even longer-term horizon to consider growth without any pandemic distortions shows strong growth in total skier days in New Zealand. SAANZ data show that the New Zealand ski industry grew from about 1.0 million skier days in 1999 to 1.74 million skier days in 2025. The projected potential demand for an additional 350,000 skier days a year within the next decade if the right ski area infrastructure is in place, would be similar to the 369,000 additional annual skier

days added to the New Zealand ski industry in the first 10 years of the new millennium to 2010.

35. Ms Hampson suggests that the growth may occur over a longer period than 2030 to 2035, in which case the 2035 figures would be reached later, and that the low growth scenario may be the more appropriate one in that context. I accept that the timing of demand growth is uncertain. If growth took longer than five seasons to materialise, the annual effects reported for 2035 would be reached in a later year and the present values in Table 4 would be somewhat lower, but the quantum of the benefit would be unchanged. This is why the Economic Assessment presents both a low and a high growth scenario rather than a single projection, and I consider the two scenarios together to be a reasonable range, especially given that unlocking this potential demand is reliant on the right ski area capacity being developed.

36. On whether all of the projected growth would be prepared to travel to Queenstown, I note that Queenstown Lakes already accounts for 57% of all skier days in New Zealand, and that 60% of the projected national growth is expected to come from international visitors for whom Queenstown is the principal gateway and ski destination. The scenarios do not assume that skiers are indifferent to location; they assume that the location with the largest share of the market, the best flight connections and most developed off-mountain tourism services captures a large share of growth, which is consistent with what has occurred over recent years. Even as recently as the 2019 ski season, Queenstown Lakes represented just 50% of the New Zealand ski industry.

37. Dr Meade asks for the demand assumptions to be tested against climate change and snow reliability, and QMG raises the risk of stranded assets. Snow science, snowmaking and water availability are outside my area of expertise and are addressed by other experts for NZSki. From an economic perspective, I make three observations. First, improved climate resilience was one of the reasons that have influenced NZSki's decision to invest: the Doolans Basin is higher and south-facing, and the Economic Assessment notes in Section 7.3 that higher-altitude terrain is likely to become increasingly valuable as lower-elevation or less snow-reliable ski areas face greater climate-related constraints. Second, if other ski areas in New Zealand and in Australia come to have more tenuous seasons, demand is likely to be pushed towards the Doolans if it is the more reliable location, which would strengthen rather than weaken the demand projections for the Remarkables and would increase the opportunity cost of not proceeding. Third, the economic modelling horizon is ten years, and the low growth scenario already provides a conservative case against which the Panel can test the robustness of the benefits.

38. Finally, QMG suggests that much of the capacity and climate-resilience rationale could be pursued through upgrades within the existing ski area. The capacity of 6,000 skiers a day on which the Economic Assessment is based depends on the additional terrain in the Doolans Basin, and the upgrades to the existing ski area alone do not provide it. The reasons for this are matters of ski area design and are addressed in the Project description rather than in my evidence.

Theme 4: Responses to comments regarding attribution of visitor spending

39. There were several comments regarding the methods of attributing visitor spending in the Economic Assessment.

Table 7: Parties with comments related to "Attribution of visitor spending"

Theme	Related parties
4. Attribution of visitor spending	QLDC (Williamson) CODC (Hampson) Kā Rūnaka (Meade)

40. Section 4 of the Economic Assessment sets out the attribution method. Only spending by holidaymakers is counted, spending by Queenstown Lakes residents is excluded because residents would most likely have spent their money on something else in the district had they not skied. The unit of analysis is the skier day at the Remarkables, not the visitor. Each skier day is scaled up by 1.4 non-ski days to reflect the time a skiing holidaymaker spends off the mountain (while visitors from other parts of Otago are scaled by 0.4 non-ski days), and daily spending rates by origin are applied to the resulting visitor days. Because the unit is the skier day, a visitor who skis at a couple of ski areas on a trip is attributed to the Remarkables only for the days actually skied there, and the off-mountain days are apportioned in the same proportion. As such, the research raised by Ms Hampson that shows visitors to Queenstown Lakes ski at 2.2 ski fields is therefore already shared between those fields in the method, rather than being wholly attributed to the Remarkables in the baseline analysis. In the case of future growth, if visiting skiers were to each visit around 2.2 ski fields across their trip then this would be consistent with the modelling in the Economic Assessment that future growth in skier days is predominantly split between the Remarkables and Cardrona with a small residual possibly overflowing elsewhere (20% in the low scenario for the Remarkables).

41. On the treatment of Central Otago residents raised by Ms Hampson, visitors from the rest of Otago account for 2% of visitor skier days at the Remarkables and $1.7 million of the $211.7 million of visitor spending in Queenstown Lakes (Economic Assessment, Tables 2 and 4). The Economic Assessment already applies a lower allowance of off-mountain days to these visitors to reflect shorter trips where many Central Otago residents do not overnight. Ms Hampson accepts that any further

adjustment specifically for Cromwell residents "would result in a minor reduction in total visitor expenditure" (Hampson, paragraph 27), and I agree that the effect would be immaterial to the findings.

42. Mr Williamson commented that the Economic Assessment potentially captures GDP that arises from the substitution of spending that would otherwise have still occurred. This substitution may occur for example by domestic visitors who may have spent elsewhere in New Zealand on another holiday had they not skied at the Remarkables, which is different from genuinely additional spending, for example by international visitors who come to New Zealand for the main purpose of skiing.

43. Mr Williamson's point about the substitution of domestic spending is a point about the national economy. Treating Queenstown Lakes as the region of interest, which I discuss in Theme 9, spending by visitors from elsewhere in New Zealand is new money to the district in the same way as spending by international visitors, and it is correctly counted as additional at the regional level. At the national level I accept that additional skiers coming from elsewhere in New Zealand could in part be recirculating money that they would otherwise have spent elsewhere in the country. Some of that travel, however, could also substitute for a trip that would otherwise have been taken overseas, in which case the spending is additional to New Zealand. The size of this effect can be bounded. The growth scenarios scale the 2025 mix of ski visitors, in which international visitors account for 66% of visitor spending in Queenstown Lakes and domestic visitors for 34% (Economic Assessment, Table 4). Table 8 shows the additional GDP under the extreme assumption that every additional domestic skier is simply redistributing spending within New Zealand and so GDP in the region is reduced to net it off, and under the alternative assumption that half of the additional domestic skiers would otherwise have skied overseas.

Table 8: Additional GDP under alternative treatments of domestic visitor spending

Additional GDP a year by 2035 (2025 prices)	**Economic Assessment**	**If all additional domestic spending is redistributed within New Zealand**	**If half of the additional domestic skiers would otherwise have skied overseas**
Queenstown Lakes, high growth scenario	$75.5m	$49.9m	$62.7m
Queenstown Lakes, low growth scenario	$50.7m	$33.5m	$42.1m
Otago Region, high growth scenario	$82.2m	$54.3m	$68.3m
Otago Region, low growth scenario	$55.1m	$36.4m	$45.8m

44. Even in the extreme case in which none of the additional domestic spending is counted because it substitutes for an existing domestic trip elsewhere in New Zealand, the international component alone represents between $36.4 million and $54.3 million of additional GDP a year at an Otago level. If half of the additional domestic skiers would otherwise have skied overseas, adjusting the GDP figures in the Economic Assessment would still suggest an additional $45.8 million to $68.3 million a year of GDP within Otago.

45. The results in Table 8 can also be presented in total present value terms over a 30 year horizon with an 8% discount rate, similar to the total present value calculations in Table 4. These total present value calculations show that the cumulative additional GDP in Otago would range from $245 million to $366 million in the extreme case where all domestic ski growth was substitution from other domestic holidays and so is not included in the regional figures, through to $308 million to $460 million if only half the domestic ski holidays involved substitution of existing domestic trips. In my opinion netting off the potential for there to be substitution of domestic spending from elsewhere in New Zealand into the regional analysis does not alter the conclusion that the Project delivers significant regional economic benefits.

Theme 5: Responses to comments regarding transport congestion as a monetised economic cost

46. The issue of additional traffic which could be generated by the Project and the potential for this traffic to create delays which could create costs for other road users were raised by several parties. There was also a submission by Queenstown Park Limited which drew attention to a gondola connection it is progressing that could reduce reliance on road access by providing alternative modes of access between the Remarkables, and Frankton, the Southern Corridor, and the Eastern Corridor.

Table 9: Parties with comments related to "Transport congestion as a monetised economic cost"

Theme	Related parties
5. Transport congestion as a monetised economic cost	QLDC (Williamson, Abley) Kā Rūnaka (Meade) CODC (Hampson) Queenstown Park Limited

47. I am not a transport engineer, and I do not have expertise in that space. In principle, I can accept that if there is a congestion effect from the Project that creates delays for road users, then those delays could have a monetary cost to some motorists. But whether that congestion effect arises because of the Project, and what its size would be after the mitigation measures proposed by the Applicant, are matters that

I consider should be settled by the transport engineers in conferencing rather than established by economists.

48. I would express caution in interpreting the monetisation of the Abley figures in its transport peer review for QLDC before congestion effects have been settled between transport engineers. The figures in the Abley report do not account for any of the mode share targets in the Applicant's Integrated Transport Assessment for increasing the share of skiers being bussed onto the mountain being achieved; as such, there is potential that they overstate congestion attributable to the Project and hence the monetisation of delays to other road users. That being said, even if we were to take the figures presented in the Abley report at face value, they are very small against the benefits of the Project. The highest figure, $2.22 million a year with 6,000 skiers a day, compares with additional GDP of between $55 million and $82 million a year across Otago by 2035, and between $50.7 million and $75.5 million a year in Queenstown Lakes. In Mr Williamson's economic report for QLDC, he acknowledges this, describing the congestion cost as "a relatively small value compared to the potential economic impact (benefit) of the Project" (Williamson, paragraphs 31 and 33). Netting the congestion cost off the benefits would not change my conclusion on the significance of the Project's economic benefits, and Ms Hampson's view that any potential road congestion from tourism growth is a wider policy issue rather than something the Project itself should mitigate (Hampson, paragraphs 31 and 34) is consistent with that. If alternative access, such as via the Queenstown Park Limited gondola connection, were to become available, then this would further reduce the potential for there to be transport costs because of congestion from the Project.

Theme 6: Responses to comments regarding potential business effects on backcountry guiding operators

49. QMG considers that the application does not quantify the potential for there to be commercial losses to guiding operators who depend on the Doolans Basin.

Table 10: Parties with comments related to "Potential business effects on backcountry guiding operators"

Theme	Related parties
6. Potential business effects on backcountry guiding operators	QMG

50. I acknowledge that the change in the Doolans Basin from a backcountry to a lift-served setting is an economic effect for QMG and for the other guiding operators who use the basin, and the Recreation Assessment (Part B-07A of the Substantive Application) assesses that effect. The recreational values of the basin, as distinct from its commercial use, are matters for Mr Greenaway's evidence and for the

Panel. My evidence is confined to the economic scale of the commercial activity that could be displaced.

51. That scale is small. As a point of reference, Table 2 of the Recreation Assessment (page 21) records the estimates of winter use of the Doolans Basin on a good day given by six interviewees: five of the six, including QMG and NZSki's own snow safety staff, estimated between 5 and 50 people a day, with one outlier of 50 to 100. QMG's own estimate was 5 to 30 people a day, and it describes its use of the basin for its own commercial guiding as a few hundred clients a year. The annual revenue derived by QMG for this level of guiding in the Doolans is approximately $82,500 a season (assuming 300 clients at $275 per participant which is the current average rate for a 5 passenger group). The Recreation Assessment also records that 62 "one up, one down" passes were sold in 2024 for backcountry access through the ski area. By comparison, the Remarkables recorded 294,735 skier days in 2025, with peak days of more than 4,300 skiers, and the Project is expected to lift annual skier days to between 436,000 and 505,000. The backcountry use of the basin on its busiest days including recreation is therefore in the order of one percent of the daily use of the ski area, while QMG's commercial clients represent about 0.1% of annual skier days at the Remarkables each year. In monetary terms, the value of this guiding activity by QMG is minimal compared to the $115 million of GDP estimated to be generated in Otago each year at present because of holidaymakers who ski at the Remarkables.

52. I also note that the Doolans expansion would not completely displace QMG's existing guiding opportunities (or recreational ski touring opportunities for other users). Backcountry terrain beyond the boundary of the expanded ski area will remain, and the new lift infrastructure of the Project will make some of that terrain easier to reach, so there will be opportunities for guiding operators to substitute into adjacent terrain some of which is currently too far to reach during day trips.

Theme 7: Responses to comments regarding construction impacts

53. Comments were raised regarding construction impacts. Ms Hampson observed that the construction impacts in the Economic Assessment rest on a single capital cost figure of $193.3 million, that it is unclear whether imported components, particularly for the gondola, have been excluded, and that all of the spending has been allocated to the heavy and civil engineering construction sector within Queenstown Lakes. Related comments were made by Dr Meade.

Table 11: Parties with comments related to "Construction impacts"

Theme	Related parties
7. Construction impacts	CODC (Hampson) Kā Rūnaka (Meade)

54. I accept these observations, which are consistent with the way the construction effects are presented in Section 6.4 of the Economic Assessment. The construction provision is a one-off effect based on the costs anticipated at this stage of the Project. As the costs become clearer and more detailed procurement decisions occur, the estimate will be able to be refined further, including more detailed breakdowns of componentry costs. Cost escalations may also occur which would increase capital expenditure in the local area.

55. At this stage, information provided to me by NZSki suggests that imported gondola componentry is anticipated to be around 20% of project expenditure with a small amount of other import costs (namely snowmaking equipment), which is similar to the 20% estimate of imports as an input into heavy and civil engineering construction in Statistics New Zealand's 2024 input-output tables for New Zealand. These national input-output tables form the basis from which Infometrics makes adjustments for local supply chains to estimate a Queenstown Lakes specific value-added ratio for heavy and civil construction projects. If the import share ends up being slightly higher, then this could reduce the GDP effects from construction, but then again if construction proves to be costlier or more complex, then these escalations would raise the GDP effects from construction. The construction effects should be treated as indicative, and I have described them that way in the Economic Assessment.

56. The more important point is that these are one-off effects, and the significance of the Project does not rest on them. Construction each season is concentrated within a short window of half the year, and is signalled to contractors with long lead in times so is unlikely to displace activity on other projects in the area. The ongoing effects of the Project, which occur over the 30-year lifespan of the gondola, are of a different order. As set out in Theme 2, the present value of the additional GDP from the ongoing effects, using the Treasury's 8% discount rate for commercial proposals, is approximately $341 million to $508 million in Queenstown Lakes and $371 million to $553 million across Otago, compared with a present value of $49.5 million for the one-off construction effects. Any refinement of the construction estimate would therefore have a minor bearing on the overall assessment of the Project's economic benefits.

Theme 8: Responses to comments regarding the wider costs of growth

57. Comments were made regarding the potential wider costs of growth in skiing at the Remarkables. These comments related to the infrastructure needed to service the additional visitors to Queenstown, as well as sourcing workers and housing, and the potential for there to be environmental and cultural effects.

Table 12: Parties with comments related to "Wider costs of growth"

Theme	Related parties
8. Wider costs of growth	Kā Rūnaka (Meade) CODC (Hampson)

58. Housing was considered in Section 6.3 of the Economic Assessment, which was expanded in June 2026 in response to Ms Hampson's initial review. The Queenstown Lakes housing market has demonstrated that it has the capacity to regularly absorb the winter influx of workers, many of whom take a room in a shared rental property. The district's rental stock expanded 18% in three years, with Tenancy Services data showing the number of active rental bonds climbing by 732, from 4,080 in March 2023 to 4,812 in March 2026, and there is particularly high churn in rentals at the start of each winter season, with 648 bonds lodged in May and June 2025 compared with 387 in May and June 2023. Housing capacity is also expected to improve further, with 1,833 new dwelling units consented in the year to March 2026, which was 44% above the ten-year annual average of 1,270 to that point. Data since the Economic Assessment was written has shown new dwelling consents rose further to 2,080 over the August 2026 year. NZSki has already invested in a hostel and nine other worker accommodation properties, and has advised me that plans for six additional two-bedroom apartments have been put on hold because staff demand for employer-provided housing has fallen over the past three years. Ms Hampson, having reviewed this material, stated that "Mr Patterson does not consider that there will be material housing pressures (impacts) attributable to the Project in Queenstown. I am broadly supportive of that view" (Hampson, paragraph 8).

59. On employment, Section 5 of the Economic Assessment is explicit that the job estimates are the theoretical number of filled seasonal jobs that could be supported by the spending of skiing holidaymakers, and that actual outcomes depend on the hiring behaviour of individual businesses. The Economic Assessment also expresses the seasonal jobs as annualised equivalents, with the 2,388 seasonal jobs in Queenstown Lakes in 2025 equivalent to 785 annualised jobs and the 2,592 seasonal jobs across Otago equivalent to 852 annualised jobs, so when it comes to projections of potential employment growth the Panel is able to see the employment effect against both bases. Further disaggregations of employment are not available

for a projection of this kind and would not, in my view, change the assessment of the scale of the employment needs. Seasonal employment is the nature of the ski industry and of the winter visitor economy more generally, and the off-mountain jobs supported by skiing holidaymakers are spread across accommodation, hospitality, retail and transport businesses. NZSki and businesses more broadly across Queenstown's tourism supply chain are experienced in navigating seasonal employment shifts and successfully navigate associated hiring challenges each season. Housing for workers has typically been at the heart of any hiring challenges, with paragraph 58 demonstrating that there have been significant improvements to the availability of worker housing.

60. On infrastructure, transport specific considerations on the roading network were included in Theme 5. Beyond transport, the wider pressures of visitor growth on the district's infrastructure that Ms Hampson and Dr Meade describe are real, but as Ms Hampson states, "managing indirect tourism externalities is unlikely to be something that the Project itself should mitigate as it is considered to be a wider policy issue for government to address" (Hampson, paragraph 31). It is worth noting that this has now been acknowledged in the Otago Central Lakes Regional Deal between the Government, QLDC, CODC and ORC, which was signed on 6 October 2026. The Deal records that "Central Government recognises the impact of tourism on the sub-region" and commits the parties to "explore mechanisms in 2027 to contribute to the costs of supporting tourism in the sub-region", as well as to consider International Visitor Conservation and Tourism Levy funding from 2027 (Otago Central Lakes Deal, Final Deal Agreement and Schedule, Schedule 1, items 8(g) and 8(h)). A commitment to mechanisms for funding the costs of tourism growth in the sub-region has therefore been made at the level at which Ms Hampson considers the issue sits.

61. On environmental and cultural effects, the Economic Assessment does not monetise them. These non-economic effects rely on intangible factors that do not all readily have market values and so such monetisation would introduce errors and could lead to an inconsistent comparison between the economic benefits and these types of other potential effects, as well as risk "double counting" of costs if they are considered in both a monetised and non-monetised way by other experts. Attempting to monetise qualitative effects that do not readily have a consistent market value risks trivialising them. The Panel has at its disposal a wide range of evidence and comments by experts on matters related to the environment and culture, who are better placed to assist the Panel on understanding these potential effects after mitigations. Ms Hampson takes the same view of the scope of the Economic Assessment, noting that non-use or non-market values are "outside the scope of the EA report and this review" (Hampson, footnote 1).

Theme 9: Responses to comments regarding the geographic scale of significance

62. Comments were made regarding the geographic scale of benefits. The Economic Assessment shows that the economic benefits of the Project are largely limited to Queenstown Lakes, with 92% of the regional GDP impact concentrated in the district and only minor spillover to the rest of Otago. ORC and CODC adopt the conclusion that the Project is likely to generate economic benefits of significance to the Otago regional economy, with the majority of those benefits concentrated within the Queenstown Lakes District.

Table 13: Parties with comments related to "Geographic scale of significance"

Theme	Related parties
9. Geographic scale of significance	CODC (Hampson) ORC Kā Rūnaka (Meade)

63. The term "region" is not defined in the FTA. In my view, the region of interest for assessing the economic benefits of a ski area expansion is the ski destination in which the ski area sits and whose visitor economy receives the spending of the skiers it attracts. For the Remarkables, that region is Queenstown Lakes. Visitors to the district account for 77% of skier days at the Remarkables, and their spending on and off the mountain flows to the accommodation, hospitality, retail and transport businesses of the district. I agree with Ms Hampson that the benefits are concentrated in Queenstown Lakes, and with her observation that it may be more appropriate to consider Queenstown Lakes as the region for the Project (Hampson, footnote 13). That concentration supports, rather than detracts from, the significance of the benefits to the region in which they occur.

64. Measured against the Queenstown Lakes economy, the benefits are significant on any view. Spending by holidaymakers who skied at the Remarkables in 2025 was $212 million, or 7.5% of all visitor spending in the district, and supported 2,388 seasonal jobs. The addition to GDP from the Project in the Economic Assessment would be between $50.7 million and $75.5 million a year by 2035, which is an expansion of 1.1% to 1.6% of the district's entire GDP from a single project, before the one-off construction effects.

65. For the purposes of comparison, the Economic Assessment also presents the results for Otago Region as a whole. Spending attributable to holidaymakers who ski at the Remarkables was equivalent to 5.6% of spending across Otago's entire tourism industry in 2025 and contributed $115 million, or 0.6%, of Otago's GDP, with the equivalent of 852 annualised jobs across the region. The additional GDP from the Project of between $55 million and $82 million a year by 2035 would be a

material addition for a single project in the context of a regional economy of $19.1 billion. The Economic Assessment also benchmarks the Project against other regionally significant infrastructure in Section 8, noting that the expanded ski area will accommodate up to 6,000 skiers a day, comparable to the current daily passenger movements through Queenstown Airport and well above those through Dunedin Airport.

66. In my opinion, the Project delivers significant regional economic benefits whether the region of interest is taken to be Queenstown Lakes or Otago Region. The matters raised by the commentators concern the interpretation and presentation of those benefits rather than their existence or their scale, and none of them leads me to change the conclusions of the Economic Assessment.



Benjamin Robert Patterson

3 November 2026