# Memorandum

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| To: | Central Otago District Council; Attn: Louise Taylor (Taylor Planning) |
| From: | Natalie Hampson, Director, Savvy Consulting Limited |
| Date: | 5 October 2026 |
| Subject: | Review of Remarkables Expansion June Economic Assessment |

## Introduction and Scope

1. This memorandum sets out my key comments on the Economic Assessment (EA) carried out by Benje Patterson (dated June 2026) for the Remarkables Ski Field Upgrade and Doolans Expansion Project ("the Project").

2. This memorandum focusses on the general suitability of the approach and assumptions adopted in the EA Report and whether there are any key gaps remaining in the assessment of economic effects that would be relevant or useful for confirming (or firming) conclusions on the scale and extent of regional economic benefits. Taking account of the findings of this review, I also include my conclusions on the likely economic significance of the Project based on my experience, to help inform Central Otago District Council's (CODC) Section 53 comments.

## Code of Practice

3. Although this is not an Environment Court proceeding, I confirm I have read and am familiar with the Environment Court's Code of Conduct for Expert Witnesses, contained in the Environment Court Practice Note 2023, and agree to comply with it. My qualifications as an expert are set out in Appendix 1 of this memorandum. Other than where I state that I am relying on the advice of another person, I confirm that the issues addressed in this assessment 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.

## EA Report Approach Overview

4. The EA Report relies on a wide range of data, analysis, related literature and prior research by the author to assess the potential economic impacts of the Project. It is clear Mr Patterson has considerable expertise in this topic area.

5. I note that while there is considerable data available on the tourism industry, it usually requires a number of assumptions to be made to carefully integrate or triangulate those data sources to answer specific research questions. In the face of these challenges, I consider 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.

6. The core approach of the EA Report has been to:

    a. Examine the most recent ski season 'skier day' data from the Remarkables Ski Field, to isolate local skier days (treated as QLD residents), other domestic visitor skier days (which includes residents from the rest of Otago Region), and international skier days. Local skier days are excluded from the analysis, focussing only on the spending associated with visitor ski trips. Excluding local skier days is considered an appropriate assumption.

    b. Apply a range of tourism data to estimate the total length of stay within QLD of visitors skiing at the Remarkables Ski Field, additional days spent in the rest of Otago Region on those same trips, and daily spending in both QLD and the rest of Otago. This provides a total gross output (spending estimate) of visitors skiing at the Remarkables in the 2025 season.

    c. Apply direct gross output to GDP ratios for QLD and the rest of Otago to estimate direct GDP contributions arising from visitors skiing at the Remarkables Ski Field. A 'jobs filled per million of GDP' ratio is then applied to estimate annualised and scaled seasonal jobs indicatively supported by visitors skiing at the ski field. Direct employment at the ski field is identified to isolate the non-ski field jobs supported by the visitor activity in both QLD and the rest of Otago.

    d. Consider a single national projection of unconstrained skier day demand to quantify the net growth opportunity in skier days by 2035. That projection assumes total annual average growth of 35,000 additional skier days per season, totalling 350,000 more skier days in 2035 than in 2025.

    e. Assume that Cardrona Ski Field has capacity to capture approximately 40% of the national skier-day demand growth projected by 2035 due to the recent Soho Basin expansion and other recent capital investments. At the same time, assumes that no other ski field, including the Remarkables Ski Field has, in the

counterfactual, any capacity to increase skier days over and above the 2025 season. I discuss this assumption further below.

f. Model two scenarios where, as a result of the Project, the Remarkables Ski Field captures 40% (low) and 60% (high) of national demand growth in skier days by 2035.

g. Apply the same assumptions to translate the net additional skier days by 2035 at the Remarkables Ski Field into visitor spend, GDP and employment contributions supported by visitor skier days in both QLD and rest of/total Otago Region.

h. The EA Report separately quantifies the economic impacts of the construction of the Project. These results are identified as high-level/indicative as the only basis for modelling the economic impacts is a total capital cost estimate for the Project at this time. This impact is attributed wholly to QLD. I discuss the construction impact further below.

7. The core economic impact results of the Project are:

- An indicative $61.9 million one-off GDP impact arising from construction (net present value of indicatively $49.5 million);
- An estimated $55-82 million increase in GDP in Otago Region by 2035 arising from visitors skiing at the Remarkables Ski Field. In terms of the extent of these GDP impacts, 92% of this regional GDP impact is concentrated in QLD ($50.7-75.5 million). Whilst these impacts are for a future year (in $2025 prices), they have not been discounted to a present value (and should be in my view).
- An indicative 1,242-1,851 increase in seasonal jobs in Otago Region by 2035. Again, 92% of this employment impact is concentrated in QLD (where the indicative net increase in seasonal employment is 1,144-1,706 by 2035).
- All economics impacts are considered net additional of the counterfactual (i.e. would not occur if the Project was not approved and no displacement or transfer effects apply).

8. The EA Report considers that there are no economic costs or disbenefits arising from the Project. Consideration was given to seasonal housing effects of employment growth directly occurring at the Remarkables Ski Field and facilitated by visitors

skiing at the field. Based on recent trends in rental stock and dwelling growth, Mr Patterson does not consider that there will be material housing pressures (impacts) attributable to the Project in QLD. I am broadly supportive of that view. No existing economic (market) uses of the expansion land are assumed to apply, which I agree with.[1]

9. The EA Report treats economic impacts on GDP and seasonal employment as economic wellbeing benefits to QLD and Otago Region. It also concludes that those economic benefits are significant. I discuss this approach and conclusion further below.

## The Counterfactual Scenario

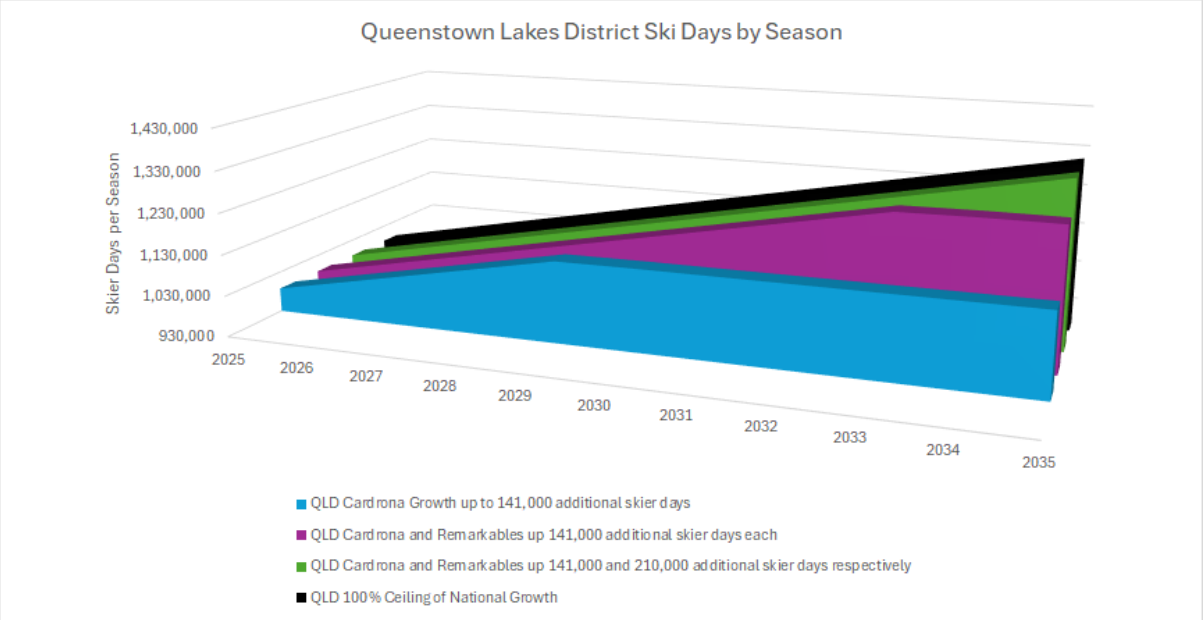
10. The EA Report provides explanation of the counterfactual scenario adopted by Mr Patterson. The counterfactual is the baseline against which gross impacts can be measured. Specifically, the EA Report includes information on the growth capacity of Cardrona Ski Field (supported by a referenced news article). The Report states that the realistic counterfactual is that no growth in skier days other than at Cardrona will occur across New Zealand, and so the opportunity cost of ski tourism is significant if the Project is not approved. I return to that assumption further below.

11. With the information provided on the expected allocation of growth between Cardrona and Remarkables Ski Field, I have been able to reconcile EA Report assumptions of how skier day growth may be felt on the ground and over time and can confirm that the low and high scenarios adopted in the EA Report do not 'over allocate' projected growth in the single national projection relied on.

12. Figure 1 shows my working based on values contained in the EA Report.[2] It is a scenario of growth for total skier days across QLD, but there could be slight variations on this depending on what weight is given to the possibility raised in the EA Report of other ski fields expanding to capture up to 20% of national growth by 2035 under the 'Low scenario' only (and when that might occur).[3]

[1] This is not to say that the land does not have non-use or non-market values currently that may be impacted by the Project. This is outside the scope of the EA report and this review.
[2] It would be useful to confer directly with Mr Patterson to confirm how he modelled growth over time and whether my scenario matches his approach of not.
[3] For example, my scenario only assigns the potential for 'other' ski fields (which could include other ski field in QLD) to be able to absorb further growth after the 2033 season but this could occur at a different time between 2025 and 2035.

*Figure 1 – An indicative visualisation of EA Report growth scenarios at the total QLD level*




13. Here I explain my potential scenario of EA Report demand growth illustrated in Figure 1: While the Project is under construction, Cardrona has capacity to capture 100% of national growth in skier days (being 35,000 net additional skier days per season).[4] It could do this until 2029, at which time it reaches its operational capacity. Total QLD skier days would plateau in the absence of the Project (or any other increases in capacity in the district's ski fields).

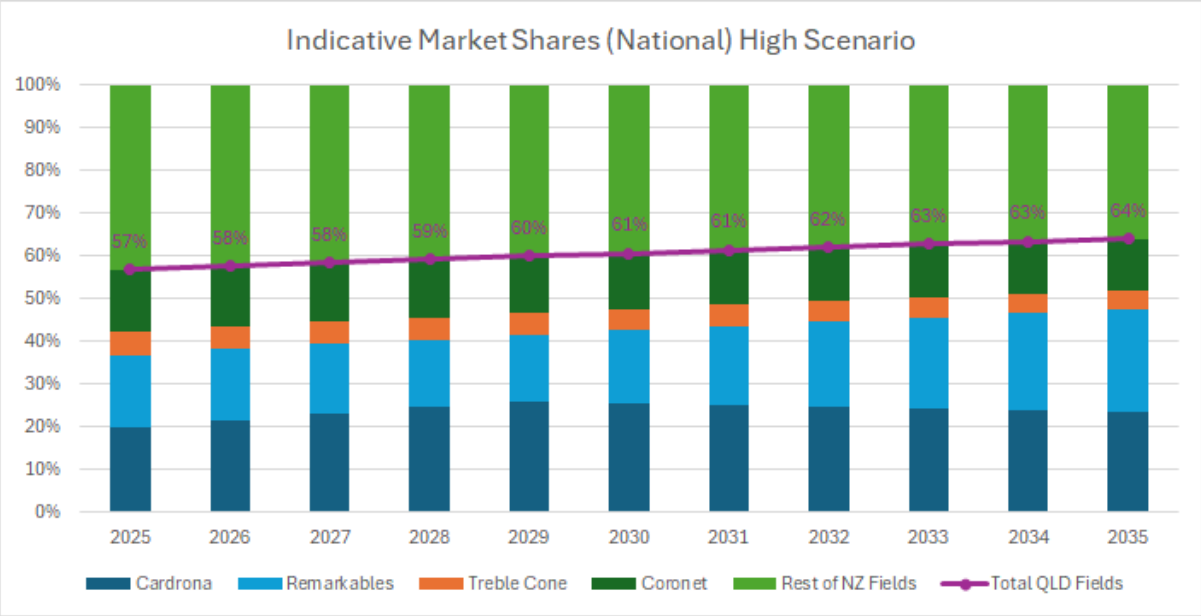
14. However, just when Cardrona reaches its new ceiling capacity, the Project is operational and can begin to capture 100% of national annual demand growth in skier days (as no other ski field has capacity to grow, particularly under the High Scenario). The Remarkables does this until it captures 40% of total national growth between 2025-2035 (albeit compressed in the period 2030-2035, and technically not operating at full capacity) or it captures 60% of total national growth between 2025-2035 (albeit compressed in the period 2030-2035 and operating at capacity by 2035).[5]

[4] See further discussion below about whether it is feasible for a QLD ski-field to capture 100% of national demand growth each season. Without data that shows how much Cardrona's skier days have increased between 2024 and 2025 for example, it is not known how realistic it would be to grow by 35,000 skier days in the course of one season.

[5] Specifically, if the EA report assumes that the 2025 season was operating at capacity (with 25 days exceeding 3,500 skier days), then the High Scenario assumes the same relative capacity by growing skier days proportional to the increase in maximum skier day capacity (i.e. 25 days exceeding 6,000 skier days).

15. Under the High scenario, it is assumed that QLD captures 100% of national growth projected in skier days to 2035, which drives some material shifts in national market share. Figure 2 shows that Cardrona could increase from a 20% market share in 2025 to a 26% market share by 2029, before dropping relative to the increase in market share by Remarkables Ski Field. The Remarkables currently has a 17% market share but could, under the High Scenario have a 24% market share by 2035. Overall, QLD could increase from a 57% national market share in 2025 to a 64% market share of the national ski industry by 2035 if the Project is approved (this is a net increase in market share of 4% over and above Cardrona's additional growth capacity).

*Figure 2 – Indicative Projected Market Shares of National Skier Days 2025-2035*




16. Structural changes in market shares across most industries tend to change only slowly, but if the ski fields in New Zealand are as constrained for growth as the EA Report suggests, then these substantial swings in market share could be reasonable.

## Construction Impacts

17. It appears that Mr Patterson has not been able to provide a more detailed analysis of construction impacts for the EA Report but has clarified that the reported impacts are indicative only given the absence of more detailed costings for the Project. In my experience, Fast Track applications have typically provided more detailed costings than a single figure. This lack of detail is an area of concern as it is unclear if imported goods (which could be significant in value) have been excluded from the total cost. Further, the EA Report assigns the total cost of the Project to a single sector (civil and heavy engineering construction) and allocates all spending to

businesses located in QLD. I consider it likely that the construction of the Project will engage with a broader range of sectors, and businesses that may be located outside of QLD. Further detail on this aspect of the EA Report is directly relevant to understanding the scale and extent of economic benefits.

## Other Information Gaps

18. Aside from greater detail on construction costs (including the location of likely suppliers) which does not appear to be available at this time, the only other information gaps in my opinion are set out here.

19. It would be interesting and relevant to understand more about the skier days by customer origin across the 2025 season. The EA Report notes that 25 days (of the 120 day season) had skier counts exceeding 3,500 and pointed to the minor reduction in the Net Promoter Score when that occurred.[6] These peak exceedance days are only a small share of total season days (21%). Without understanding when those days occurred, it is hard to fully understand why the ski field cannot accommodate any growth in skier days in the coming seasons as inferred by the EA Report's counterfactual scenario (i.e. on other days that are not at capacity).

20. Understanding when locals and visitors come to ski at the Remarkables (typically) within a season would help illustrate the ability (or otherwise) of NZSki to encourage or facilitate demand to be spread more evenly. I see the New Zealand and Australian school holidays as relevant to this enquiry, but potentially peak days also coincided with large snowfalls which cannot be predicted and saw an influx of local skiers on those days.

21. It would also be relevant to have some additional detail, even if only limited to NZSki's ski fields, on whether those ski fields were operating at peak operation in the 2025 season. This relates to the comments in the EA Report that other ski fields are constrained and the assumption that all other ski fields would be unlikely to capture any growth in skier days over the next decade. For example, an article in 2025 indicated that Mt Hutt's 2025 season was still below its peak season of 2018.[7] This

[6] Further information on how (and for which markets) the Net Promoter Score influences ski field use and growth would be useful as the changes in Net Promoter Score mentioned in the EA Report are relatively minor shifts and significant weight seems to be put on those scores (on 21% of season days) to imply that skier days has reached a season maximum in 2025.

[7] https://www.odt.co.nz/star-news/star-districts/star-mid-canterbury/dream-run-canterbury-ski-field

suggests that it might have some growth capacity remaining within operational limits.

22. For clarity, this additional information would assist with validating the counterfactual scenario[8] and is not intended to imply that the Project is not required to enable further growth over the medium term. This additional information is more 'nice to have' than critical, but at the same time, is data that I expect is readily available from NZSki and could add useful context for readers of the EA Report (and wider application).

## Overview of Concerns/Limitations of the EA Report

23. While the EA Report is a comprehensive economic impact assessment, the following sets out what I consider to be limitations of the assessment as it currently stands.

24. **Robustness of national demand projection**: While I have not sought to source or review the national skier day projection set out in the EA Report (which Mr Patterson states was developed in an earlier research project) it is notable that a much faster growth rate is assumed for the next decade than occurred in the last decade. The reason for this would be relevant to understand. Further, the assumption of holding the same participation rate of skiing in the total population constant over the next decade appears a key assumption for the contextual discussion of the growth projection. It would be useful to know if this is implicit in the projection itself, and whether that is supported by historical data. Given the significant costs of skiing, increasing costs of living, and changing ethnic structure of the resident population (particularly in Auckland), it is conceivable that the number of skiers per capita is decreasing rather than holding constant. This may also be the case for the QLD population as it diversifies.

25. **Industry-wide capacity constraints**: As discussed above, there is insufficient data to confirm that the Remarkables (and other) ski field(s) have no potential to grow skier days beyond the 2025 season under the counterfactual. This is relevant to the baseline against which 2035 skier activity is compared against.

26. **Attribution of ski-visitor spending to The Remarkables Ski Field**: Attribution of tourism spend to a particular activity would, in my experience, first establish what

[8] Specifically, the assumption that the 40% and 60% share of growth is totally dependent on the Project and that there is no portion of that growth that can occur at the ski field leading up the 2030 season. If some growth is reasonable under the status quo/counterfactual scenario, then the 2025 season is not the right year for netting off the 2035 economic impacts.

role that activity had in the reason to travel. Only spend by visitors for which that activity was the main purpose of travel would normally get counted. The EA Report, while based on skier days that occurred at the Remarkables Ski Field, assumes that all spending by those non-local skiers – including on days that they were not skiing at the Remarkables – were wholly attributable to the presence of the Remarkables Ski Field. Other research referenced by Mr Patterson shows, for example, that on average, ski visitors to QLD visited 2.2 ski fields on their trip.[9] In the absence of further data, I consider that the spending estimates quantified in the EA Report should be considered an upper limit of what spending should be attributed to the Remarkables Ski Field in 2025 (and as a result of the Project by 2035).

27. **Whether Central Otago skiers are visitors or 'locals':** The EA Report treats all skiers at the Remarkables Ski Field that came from the 'rest of Otago Region' as visitors staying in QLD and therefore applies the daily (but effectively overnight)[10] domestic visitor spend to those ski days and 0.4 additional days per ski day spent in QLD. I consider that residents of Central Otago District (particularly those from the Cromwell Ward) would not be likely to stay overnight when skiing at Remarkables Ski Field and should be treated as 'locals' along with QLD residents. In the absence of some allowance for Central Otago District origin skier days, I consider the rest of Otago Region spend estimates to be overstated.[11] In the scheme of things, I accept that any adjustment would result in a minor reduction in total visitor expenditure attributable to the Remarkables Ski Field.

28. **Reality of attracting national demand growth when accounting for origin of demand:** The Low and High growth scenario for 2035 skier days at Remarkables Ski Field (including the 40% share of growth attributed to Cardrona) assumes that domestic and international skiers are indifferent about location and ski field – i.e. that all ski fields and all locations in New Zealand (irrespective of where they reside) are substitutable. Put another way, the EA Report assumes that in the absence of any other ski field capacity being available from 2030 to 2035, that all projected growth in domestic and international ski demand in New Zealand will be prepared to travel to QLD and ski at the Remarkables. While the Project ensures that the

[9] See for example Table 4 of The Economic Significance of the Southern Lakes Ski Areas – 2005 Winter Season, NZ Tourism Research Institute, December 2005.
[10] I.e., it is assumed the 'daily rate' captures accommodation spend.
[11] It is possible that NZSki's ticket data would allow COD residents to be isolated and analysed for ski visit behaviour.

Remarkables caters for the full range of ski abilities, location is not neutral (particularly for the domestic ski market).

29. I consider that the growth rates implied in the EA Report at the Remarkables (assuming the national projection presented is a realistic ceiling of demand) may be optimistic in terms of willingness to travel/pay. While the same quantum of additional skier day growth may be achievable at Remarkables, it may occur over a longer period than 2030-2035. The implication of slower growth is that the 2035 figures may be overstated (or conversely, the same quantum of spend needs to be discounted over a longer period). The Low Scenario for 2035 may be more appropriate in this context.

30. The role of imports in total construction cost: Unless the indicative $193 million cost to construct the Project explicitly excludes imported components (particularly for the gondola), I consider that there is a risk that spend that accrues to New Zealand and Otago Region/QLD is overstated.

31. Economic disbenefits: There are economic disbenefits (and costs) associated with tourism growth in QLD that are well documented. This includes the burden that tourism growth puts on road congestion, road accidents and wear and tear, three waters infrastructure, other community infrastructure including public toilets, parking and emergency medical services and the costs associated with managing freedom camping (for example). The EA Report says that the growth in skier days facilitated by the Project is not a transfer of demand and would not occur in QLD if not for the expansion. On that basis, any disbenefits arising from additional ski tourists coming to QLD because of the proposed expansion are partly, but indirectly, attributable to the Project.[12] That said, 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.

Conclusions on Significance of Potential Economic Benefits

32. While there is more information that would be useful to fully contextualise Mr Patterson's assumptions, and I consider that the impacts modelled in the EA Report represent an upper limit and may overstate economic benefits for several reasons,

[12] I.e. the additional capacity of the ski field enables tourism growth. However, other enablers of tourism growth, that would need to occur simultaneously, would be increased capacity of Queenstown Airport and the accommodation sector for example. In other words, the externalities of tourism growth are not easily attributed to a single business or activity – it is the combined effect of the tourism sector.

when I take that all into consideration, I consider that the Project is still likely to be of significance in the Otago Region economy. However, the extent of those economic benefits is largely limited to QLD, with spill-over benefits to the rest of Otago Region only minor.[13]

33. I reach this conclusion of significance not solely on the basis of the economic impacts discussed in the EA Report but from taking a broader perspective of some potential economic opportunities that the Project may unlock. These include:

- Ski fields are limited in number and spatially constrained across New Zealand. The Remarkables Ski Field has an important role in the New Zealand ski industry.
- It is more economically efficient to expand existing ski fields to cater for demand than create new ones.
- Tourism is a significant component of national and QLD GDP and employment and skiing is an important component of the tourism sector, particularly in QLD. The link between tourism growth and wider economic growth (direct, indirect and induced) in QLD is very evident.
- The scale of the proposed expansion in terms of the increase in the maximum operational skier days (3,500 to 6,000) is significant (supporting economies of scale).
- Ski fields are among the largest businesses operating in the district economy. The investment by NZSki may stimulate or improve the commercial viability or confidence of other investment in QLD, and potentially neighbouring Central Otago District.
- Expanding ski field capacity/ski-able terrain in New Zealand helps mitigate leakage of domestic ski days to overseas resorts while also improving New Zealand's reputation as a ski destination for overseas markets.
- Larger ski fields provide more feasible opportunities to attract international ski events to New Zealand with associated economic flow-on effects.

[13] It may be more appropriate to consider QLD as the 'region' for the Project.

- The Remarkables Ski Field is already a large seasonal employer and the expansion would be expected to support a material number of net additional seasonal jobs.

- The construction of the project will generate economic activity in QLD and wider Otago (particularly if gondola components are imported via Port Chalmers for example) and will help sustain (or potentially grow) jobs in a range of construction and other related specialist fields. This will likely grow the region's capabilities and capacity for gondola construction which could benefit related 'gondola' projects proposed in the district in the medium term if approved.

- The operational benefits of the Project will start to be felt in a relatively short time period (i.e. starting in the 2030 season).

34. While some of these benefits are unquantified, the combined effect of likely and potential gross economic benefits arising from the Project is sufficient to be 'noteworthy' for the QLD and regional economy in my opinion. There are economic disbenefits from additional tourism growth in QLD that may be attributable to the Project but I recognise that managing those is part of a wider policy and funding issue not limited to ski tourism. While I consider that some caution is warranted in adopting the full extent of gross economic impacts reported in the EA Report, 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.

## Appendix 1 – CV of Author

My name is Natalie Dianne Hampson. I am an economic consultant, residing at Wānaka in the Queenstown Lakes District (QLD).

I am the Director of Savvy Consulting Limited. I hold a Master of Science degree in Geography from the University of Auckland (first class honours). I am an associate member of the New Zealand Planning Institute and a member (and regional committee member) of the Resource Management Law Association.

I have worked in the field of economics for 25 years for commercial and public sector clients, with a particular (although not exclusive) focus on economic assessment within the framework of the Resource Management Act 1991 (RMA). Since 2001 I have specialised in studies relating to land use analysis, assessment of demand and markets, tourism and major events, the form and function of urban economies and growth, policy analysis, and evaluation of economic outcomes and effects, including costs and benefits. This work has been nationwide.

I have considerable experience carrying out economic assessments within QLD and COD over the last 20 plus years. My project work includes economic reports, peer reviews and expert evidence in relation to resource consents, plan changes and variations, district plan reviews, structure planning, covenant amendments, and housing and business demand and capacity assessments required under the National Policy Statement on Urban Development.

I have also provided economic evidence in relation to applications in QLD and COD for approval under the Fast-track Covid-19 Recovery Act and the Fast-track Approvals Act 2024 (FTA) (with the latter work being ongoing).[14] My work in the district has been for a range of private sector clients as well as for the Queenstown Lakes District and Central Otago District councils.

Overall, I have a sound knowledge of the QLD and COD economies, economic growth pressures and development patterns. My work experience in the rest of New Zealand has a similar scope and depth as the work described above. I am very familiar with the purpose and decision framework of the FTA (having been involved with more than 10 other FTAA applications to date (excluding this one) and being a member of the Expert Panel appointed for the Taranaki VTM application).

[14] FFTA involvement in QLD and COD includes the Bendigo-Ophir Gold Project, Ayrburn Screen Hub, Mt Iron Junction. Elsewhere, I am involved in the Southern Link Inland Port (Dunedin), Ōhoka Residential Subdivision (Waimakariri), Pound Road (Christchurch), Graymont South-Western Pit (Waikato), Macraes Extension and others (Otago).