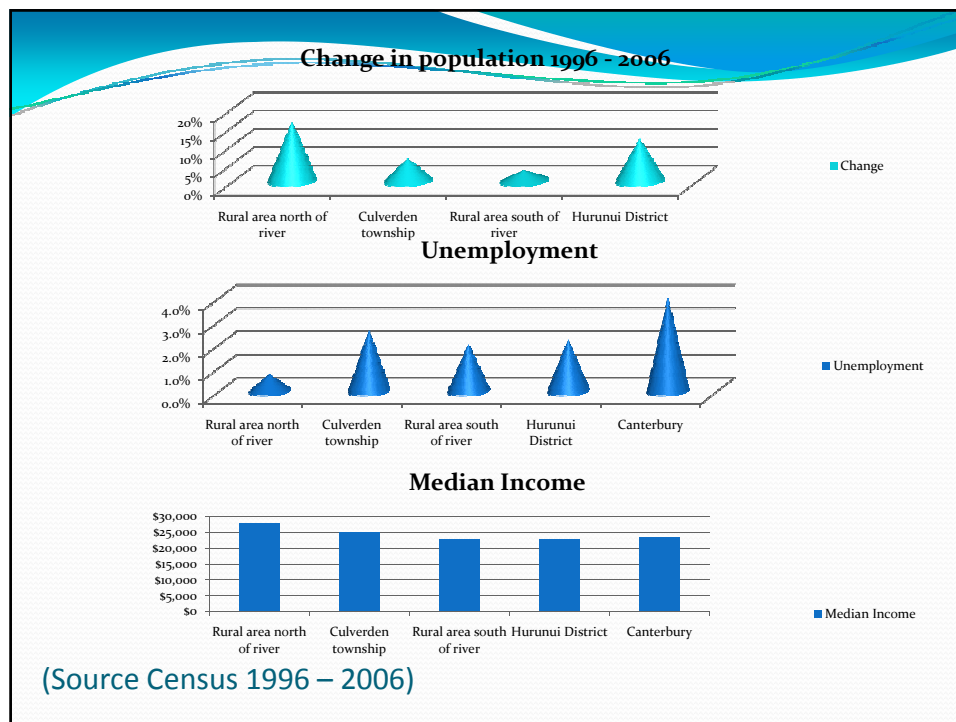


Socio-economic information

Simon Harris
Harris Consulting

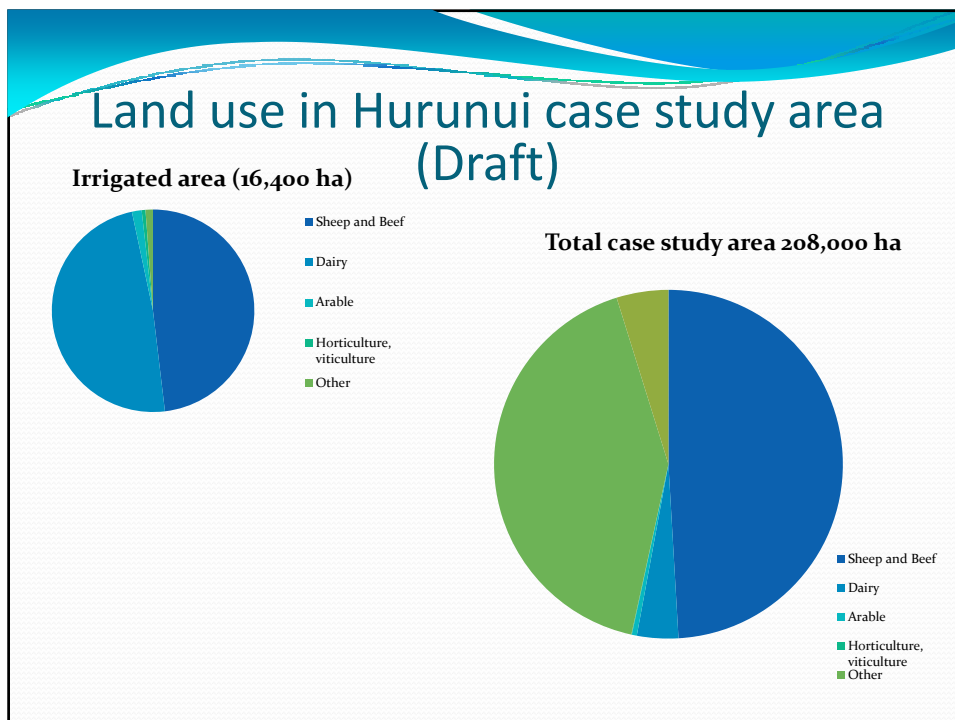
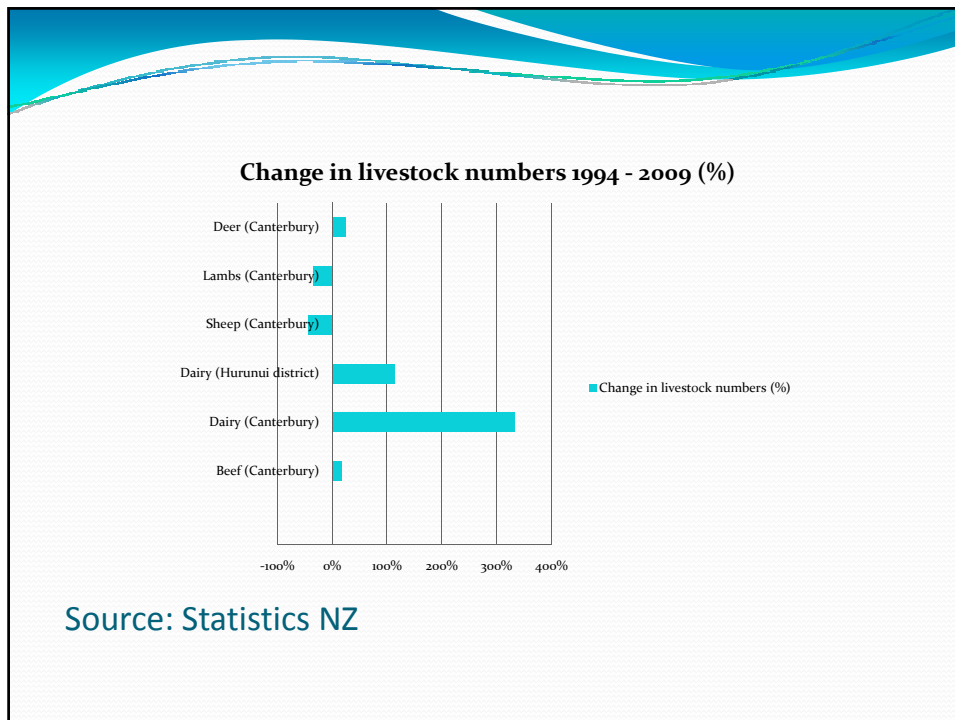
Background

- Current situation
- Land use defined from Agribase/local information
- Information from MAF, StatsNZ, Hurunui Water Project
- Mix of scales and time frames – dictated by data



Canterbury primary sector trends

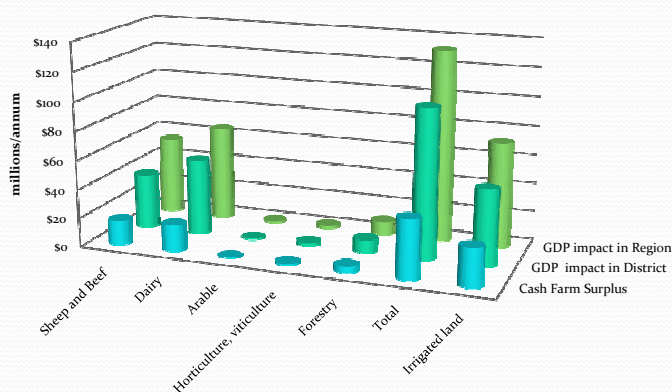
- There has been a major increase in dairy and beef cattle in Canterbury – much higher than the rest of New Zealand.
- Dryland agriculture is intensifying as well as irrigated agriculture coming on stream.
- In Hurunui District average stocking rate has increased from 2.7 (1999) to 3.2 (2009) (Source LIC)
- Irrigation increasingly intensive with conversion from border to spray (Source: AIC)
- Increased interaction between dairy, sheep and beef, arable (income from grazing more than doubled from 2000 - 2009) (MAF Farm Monitoring)

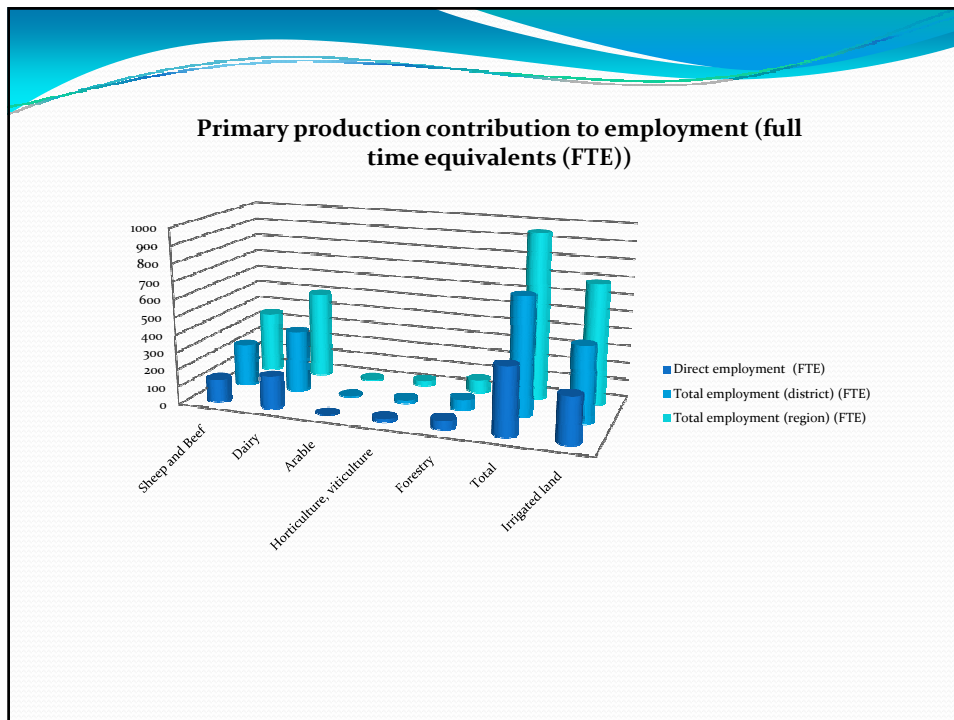


Economic contribution of primary production

- Dominated by dairying and irrigation.
- Irrigated land, which is 8% of the catchment, produces 65 – 73% of the economic and employment contribution
- Dairy land at 4% of the catchment produces approximately half of the revenue, cash farm surplus, and GDP.
- Dairy is associated with half of the direct and indirect employment

Primary production economic contribution





Total (including flow on) LUWQ primary industry impact on district and region

- 23% of the Hurunui district GDP
- 0.5% of the regional GDP
- 18% of the district employment
- 0.4% regional FTEs.
- Possibly overstated

Hurunui District Tourism

- 970,000 visits/annum (87% domestic)
 - 640,000 visitor nights/annum (80% domestic)
 - Trend growth of ~0.9%/annum
 - Tourism generates \$14.1 billion/annum in GDP nationally (2007, direct and indirect)
 - Using Hurunui share of visitor nights gives ~\$90 million/annum national GDP
 - Major attraction in Hanmer Springs outside study area, but may have impact on employment
- (Source: Ministry of Tourism)

In stream values

- 19,000 angler days/year in 2007, 5700 below Mandamus confluence (National angler survey)
- Using angler day valuation (travel cost) @ \$46/day (Kerr 2004) gives a valuation of \$0.9 million/annum for catchment (\$0.3 million below Mandamus)
- Range of older non market valuation studies on instream values of Canterbury Rivers e.g. Waimak \$185 – \$500 million, Rakaia \$220 – \$515 million, Ashburton \$841 million (\$NPV, Kerr 2004)
- Lowland stream valuations by farmers and anglers showed high preference for water clarity, no pollution and swimming safe water. (Kerr and Swaffield 2007)

