

Appendix 6: Economic Assessment

**ASSESSMENT OF THE ECONOMIC EFFECTS OF THE PROPOSED PRIVATE PLAN
CHANGE TO THE ASHBURTON DISTRICT PLAN TO ENABLE EXPANSION OF FACILITIES
AT THE FARMERS CORNER RETAIL STORE AND RESTAURANT COMPLEX**

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SUMMARY

1. The objective of this report is to assess the economic effects of a proposed Private Plan Change that will enable Farmers Corner to expand the range of activities at its site to include overnight accommodation for groups of guests, including centralised services for overnight guests such as a new restaurant and function areas, along with complimentary rural-based tourism activities such as farm activity demonstration areas. This will enable some of the international visitors to the complex to extend the length of time spent within the Ashburton District by providing an overnight stay (and in some cases a two night stay) and supplementing this with on-site and off-site farming and other experiences.
2. Providing for people and communities' economic wellbeing and the efficient use and development of natural and physical resources are relevant considerations under the RMA. The RMA specifically excludes consideration being given to trade competition effects on individual competitors. However where trade competition effects in aggregate are of such significance that they threaten the overall vitality, vibrancy and amenity values of district or town centres then such effects are relevant considerations under the RMA as being beyond trade competition.
3. The key economic "drivers" of the Ashburton District economy are agriculture and manufacturing, especially agricultural product processing. The other industries generally supply goods and services to these industries, their employees and their employees' families. Tourism is currently not a significant contributor to the local District economy, although the Ashburton District Council has included targeted growth in tourism in its latest long-term plan.
4. The key economic benefits of the proposed Farmers Corner Private Plan Change are:

- a. Increased employment, incomes and expenditure within the local Ashburton District economy from the construction and operation of the expanded Farmers Corner facilities;
 - b. Increased employment, incomes and expenditure within the Ashburton economy as a result of overnight visitors to the Farmers Corner complex engaging in a range of off-site activities such as farm demonstrations, jet boating, balloon flights, golf, mountain biking, horse riding and fishing;
 - c. Increased diversity for the Ashburton District economy and the showcasing of the District's agricultural and manufacturing activities helping to develop an international branding for Ashburton's agricultural base;
 - d. Greater Asian awareness of Mid-Canterbury and New Zealand products and demand for them from tourists after they have returned home; and
 - e. Increased educational tourism opportunities within the Ashburton District.
5. The proposed Farmers Corner development will not require cross-subsidisation by other ratepayers.
 6. Because the proposed provision of accommodation at the Farmers Corner site is primarily for international tourists who would not otherwise stay overnight in Ashburton, the proposed Private Plan Change will not negatively impact on the Ashburton CBD's overall vitality, vibrancy and public amenity values.
 7. The proposed Farmers Corner Private Plan Change will contribute to people and communities' economic wellbeing and is consistent with the efficient use and development of resources.

1. INTRODUCTION

Background

- 1.1 Farmers Corner Developments (Farmers Corner) currently operate a retail store and restaurant complex on the corner of State Highway 1 and Long Beach Road, some 6 kilometres south of Ashburton. The facilities cater principally for international tourists with the retail store offering a variety of New Zealand products and souvenir items. Visitors generally arrive by bus with around 20 buses per day in the low season increasing to up to 50 buses per day in the high season. However, self-drive tourists are becoming an increasing proportion of visitors to the complex. The business was established in 1993 and was originally located within the Ashburton central business district (CBD), but relocated to its current site in August, 2004, due to limitations for bus parking within the CBD.
- 1.2 Farmers Corner wishes to expand the range of activities at its site to include overnight accommodation for large groups, and additional facilities to service overnight guests including a new restaurant and function spaces, as well as complimentary rural tourism activities such as farm activity demonstration areas (e.g. for sheep shearing exhibitions and hand feeding of farm animals by visitors). It is also possible some activities associated with the Ashburton farm machinery museum may be located on the site. The intention is to extend the length of time some of the international visitors to the complex spend within the Ashburton District by providing an overnight stay (and in some cases a two night stay) and supplementing this with on-site and off-site farming and other experiences (e.g. jet boating, balloon flights, golf, mountain biking, horse riding and fishing). Currently this is done only to a limited extent and with some difficulties using farm stays¹ as there is no alternative accommodation of sufficient size in Ashburton.
- 1.3 A Private Plan Change to rezone the Farmers Corner land from Rural B to a newly create 'Rural Tourism Zone' is proposed to enable the construction and

¹ The difficulties associated with using farm stays for large groups of international visitors are related to farm stay accommodation availability, transport and logistics, variability in quality and communication with hosts without the tour group leader.

operation of the new facilities on the Farmers Corner land. A new Outline Development Plan for the new Rural Tourism Zone will be included in the District Plan. This will include splitting the site into three areas:

- (a) Area 1 includes the current Farmers Corner activities, and allows for a limited increase in these facilities;
- (b) Area 2 is for the development of visitor accommodation and related facilities such as restaurant and function spaces; and
- (c) Area 3 is the balance of the zone, and essentially allows the activities allowed under the current Rural B zoning – i.e. the continuation of farming activities and the development of recreational activities such as walking and cycling paths.

- 1.4** The rule framework governing these three areas will limit the commercial activities that can be undertaken at the site to the kinds of activities described in this report – accommodation and on-site services primarily for international tourists.

Report Objective

- 1.5** The objective of this report is to assess economic effects of the proposed Private Plan Change. The report will form part of the Assessment of Environmental Effects (AEE) to be lodged in relation to the proposed Private Plan Change application.

Report Format

- 1.6** This report is divided into five parts (in addition to this introductory section). These cover:
- (a) The relevance of economic effects under the RMA;
 - (b) A description of the Ashburton District economy;
 - (c) The economic benefits from the proposed Private Plan Change;
 - (d) Some potential economic costs from the proposed Private Plan Change; and
 - (e) The report's conclusions.

2. ECONOMICS AND THE RMA

Community Economic Wellbeing

- 2.1** 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 ... wellbeing*” as a part of the meaning of “*sustainable management*”, the promotion of which is the purpose of the RMA.
- 2.2** 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 the applicant or 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.
- 2.3** The expansion of facilities at the Farmers Corner’s site will provide businesses and residents of the Ashburton District with a range of economic benefits, which will increase economic and social well-being within the District. These economic benefits are discussed later in this report.

Economic Efficiency

- 2.4** 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 include the economic concept of efficiency². 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

² 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.

*goods and services as well as individual goods and services being produced at minimum cost through appropriate mixes of factor inputs*³.

- 2.5** More generally economic efficiency can be considered in terms of:
- Maximising the value of outputs divided by the cost of inputs;
 - Maximising the value of outputs for a given cost of inputs;
 - Minimising the cost of inputs for a given value of outputs;
 - Improving the utilisation of existing assets; and
 - Minimising waste.

- 2.6** The proposed Private Plan Change will enable improvements in economic efficiency at the Farmers Corner site and within the Ashburton District generally. These economic efficiency benefits are discussed later in this report.

Viewpoint

- 2.7** An essential first step in carrying out an evaluation of the positive and negative economic effects of a development project or plan change 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 (or city) and wider regional viewpoint is adopted and sometimes even a nationwide viewpoint might be considered appropriate.
- 2.8** Farmers Corner's operations principally impact on the residents and businesses of the Ashburton District and therefore an Ashburton District viewpoint is appropriate for evaluating the proposed Private Plan Change's economic effects.
- 2.9** There are also private or financial benefits associated with the expansion of activities at the Farmers Corner site. Generally these benefits are not relevant under the RMA and the main focus of this report is therefore on the wider

³ Pass, Christopher and Lowes, Bryan, 1993, *Collins Dictionary of Economics* (2nd edition), Harper Collins, page 148.

economic effects on parties other than Farmers Corner and its customers. Economists refer to such effects as “externalities”⁴.

Trade Competition Effects

- 2.10** Consistent with seeking to maximise competition and economic efficiency, the RMA specifically excludes consideration being given to trade competition effects on individual competitors. However where trade competition effects in aggregate are of such significance that they threaten the overall vitality, vibrancy and amenity values of district or town centres then such effects are relevant considerations under the RMA as being beyond trade competition.
- 2.11** Providing accommodation and other activities outside of the Ashburton CBD could arguably divert some business activity from the town centre and therefore reduce its amenity value. The potential for this to occur as a consequence of the proposed Private Plan Change is considered later in this report.

3. BACKGROUND TO ASHBURTON DISTRICT ECONOMY⁵

Population

- 3.1** Statistics New Zealand’s June 2018 population estimate for the Ashburton District is 34,500. In 2008, population in the District was 29,100, implying growth of 18.6% over the period 2008 to 2018, as compared to growth of 14.7% for New Zealand as whole. Statistics New Zealand’s ‘medium’ population projections⁶ have Ashburton District’s population increasing to 41,900 in 2043 – i.e. an average rate of increase of 0.8% per annum over the period 2018-43, the same average annual rate of growth projected for New Zealand.

Employment

⁴ Defined as the side effects of the production or use of a good or service, which affects third parties, other than just the buyer and seller.

⁵ Data in this section from Statistics New Zealand.

⁶ Statistics New Zealand prepare three sets of projections – high, medium and low – according to natural population change (i.e. the net effect of birth and death rate assumptions) and net migration assumptions. These projections do not explicitly incorporate assumptions about different rates of economic development.

- 3.2** February, 2018 data on employment from Statistics New Zealand shows the importance of the agricultural sector to the Ashburton District economy. Agriculture, forestry and fishing provides 3,850 jobs or 23.38% of the District's 16,500 jobs, including 3,548 jobs in agriculture⁷ of which 1,700 are dairy farming jobs and 790 sheep and beef cattle and grain farming jobs. Manufacturing is the next most significant employment sector with 2,350 jobs (14.2% of total employment), including 1,500 food product manufacturing jobs (including 1,000 meat and meat product manufacturing jobs and 320 fruit and vegetable processing jobs) and 290 machinery and equipment manufacturing jobs. Other important sources of employment for the Ashburton District are retail trade (1,600 jobs or 9.7% of total district employment), construction (1,400 jobs or 8.5% of total district employment), health care and social assistance (1,050 jobs or 6.4% of total district employment), education and training (930 jobs or 5.6% of total district employment), accommodation and food services (900 jobs or 5.5% of total district employment), wholesale trade (860 jobs or 5.2% of total district employment), and professional, scientific and technical services (620 jobs or 3.8% of total district employment).
- 3.3** The key economic “drivers” of the Ashburton District economy are agriculture and manufacturing, especially agricultural product processing. The other industries generally supply goods and services to these industries, their employees and their employees’ families. Tourism is currently not a significant contributor to the local economy or the District as a whole⁸. Although the accommodation and food services sector⁹ provides 900 jobs, only 120 are in accommodation services. In the year ending 31 December, 2018, the Ashburton District accounted for 204,199 guests’ nights in commercial accommodation or 0.5% of the total for all of New Zealand.¹⁰ By comparison, Ashburton accounts for 0.7% of New Zealand’s total population. Tourism’s contribution to the

⁷ Includes agriculture support services.

⁸ Although tourism activity associated with the Mount Hutt ski field is clearly a significant contributor to the local Methven economy.

⁹ This is only a proxy for tourism since accommodation and food services will also be used by non-tourists and tourists will spend in other sectors (e.g. retail) as well.

¹⁰ Source: Statistics New Zealand Accommodation Survey; December, 2018 – territorial authority pivot table.

region's GDP in 2017 was 2.3%, as compared to 29.0% for the agriculture, forestry and fishing sector and 10.6% for the manufacturing sector.¹¹

- 3.4** However the Council is targeting growth in tourism in its long term plan. Via Experience Mid-Canterbury (EMC) and it's i-site at Methven, the Council is seeking to grow visitor nights by upwards of 1.5% in 2018/19 and upwards of 2% per annum each year thereafter in its 10-year long term plan.¹²

4. ECONOMIC BENEFITS FROM PROPOSED PRIVATE PLAN CHANGE¹³

Increased Economic Activity During Construction Phase

- 4.1** Prior to the new proposed facilities and activities commencing operation on the Farmers Corner site, there will be an estimated 2 year construction phase. This will involve the employment of an estimated average workforce of 50 full time equivalent (FTE) employees on site, with wages and salaries estimated to average \$3.75 million per annum. Most of these employees will be domiciled in Ashburton.
- 4.2** The construction phase would involve other construction expenditure (i.e. in addition to wages and salaries) estimated at \$3.75 million per annum¹⁴ and nearly all of this would be spent with local Ashburton District businesses supplying goods and services to the Project.¹⁵ The types of local firms supplying goods and services during the construction phase would include architects, builders, excavators, plumbers and drain-layers, brick layers, electricians, painters, gib fixers, scaffolders, roofers, fencers, landscapers and suppliers of flooring materials, concrete, frames and trusses, doors and windows, plumbing fittings, insulation and general hardware.

¹¹ Ashburton District Economic Profile, Infometrics; [https://ecoprofile.infometrics.co.nz/Ashburton District](https://ecoprofile.infometrics.co.nz/Ashburton-District) ; 16 May, 2018.

¹² See: Ashburton District Council Long Term Plan 2018-2028; Volume 1, page 137.

¹³ Unless stated otherwise data in this section provided by Farmers Corner.

¹⁴ Only preliminary estimates for construction costs are available at this stage. It is estimated that in broad terms the new facilities would cost \$15 million in total, or \$7.5 million per annum, of which wages and salaries account for \$3.75 million per annum and other expenditure \$3.75 million per annum.

¹⁵ There will be some materials manufactured outside the District but these will be supplied to the project through local merchants.

4.3 These are the direct economic impacts for the Ashburton District from the construction of the new facilities at Farmers Corner. However, in addition to these direct economic impacts, there are indirect (or “multiplier”) impacts arising from:

- The effects on suppliers of goods and services provided to the construction site from within the District (i.e. the “forward and backward linkage” effects); and
- The supply of goods and services to construction employees at the site and to those engaged in supplying goods and services to the site (i.e. the “induced” effects). For example, there will be additional jobs and incomes for employees of supermarkets, restaurants and bars as a consequence of the additional expenditure by employees directly involved in the construction of new facilities at the site and their families.

4.4 District multipliers can be estimated to gauge the size of these indirect effects. The size of the multipliers is a function of the extent to which a district is self-sufficient in the provision of a full range of goods and services and the district’s proximity to alternative sources of supply. Generally district level multipliers fall in the range of 1.5 to 2.0 and taking the bottom of this range for the Ashburton District, given its proximity to Christchurch City implies total impacts (i.e. direct plus indirect impacts) for the Ashburton District economy over the 2 year construction period of:

- (a) Increased employment of 75 additional jobs;
- (b) Increased wages and salaries of \$5.6 million per annum; and
- (c) Increased additional spending with local businesses of \$5.6 million per annum.

Increased Economic Activity during Operation of New Facilities

4.5 Currently Farmers Corner employ around 35 FTE staff¹⁶ and staff numbers are expected to approximately double when the new accommodation and

¹⁶ Around 40 staff in the high season (for 8 months per year) and 25 in the low season (for 4 months per year).

associated facilities are operational – i.e. an additional 35 FTE jobs. On the basis of average salary rates of around \$50,000 per annum, wages and salaries to these additional staff are estimated at around \$1.75 million per annum. Additional spending by Farmers Corner with local Ashburton businesses is estimated to be around \$4-5 million per annum, based on 40,000 to 50,000 visitor nights per annum and a cost to Farmers Corner of around \$100 per person per night. The types of local businesses to benefit from this increased spending are expected to include suppliers of food and beverages, laundry services, cleaning supplies, power and gas, animal foods and veterinary services, repair and maintenance services and gardening services.

- 4.6** In addition, the overnight visitors will be provided with opportunities to engage in a range of on-site and off-site activities – for example farm demonstrations, jet boating, balloon flights, golf, mountain biking, horse riding and fishing. It is expected existing and newly created local businesses will provide these activities and on the basis of an additional spend of \$100 per person per day¹⁷ implies additional expenditure in the local economy of \$4-5 million per annum.
- 4.7** As explained in the previous section of this report, there are additional expenditure, employment and income effects as a consequence of the additional goods and services required by the local suppliers of goods and services to the new facilities at Farmers Corner, the new and expanded off-site benefitting businesses and the additional staff (and their families). These are the so called “indirect” economic impacts. Using the same multiplier of 1.5 as used in the previous section, the total (i.e. direct plus indirect) economic impacts of the new facilities for the Ashburton District are therefore:
- (a) Increased employment of 53 additional jobs;
 - (b) Increased wages and salaries of \$2.625 million per annum; and
 - (c) Increased additional spending with local businesses of \$12-15 million per annum.

¹⁷ For the year ending March, 2018, the average spend per night per international visitor to New Zealand was \$193.53 (Source: Statistics New Zealand International Visitor Survey – Visitor Expenditure. Data extracted 10 September, 2018.)

Economic Benefits from Increased Economic Activity

4.8 As indicators of levels of economic activity, economic impacts in terms of increased expenditure, employment and incomes within the Ashburton District 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:

- (a) 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;
- (b) Increased competition: Increases in the demand for goods and services allow a greater number of providers of goods and services to enter markets and there are efficiency benefits from increased levels of competition;
- (c) Reduced unemployment and underemployment¹⁸ of resources: To the extent resources (including labour) would be otherwise unemployed or underemployed, increases in 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 of a project and those resources unemployed or underemployed within the local economy; and
- (d) 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 quality of such services in a community can be increased if increased economic activity maintains or enhances population levels.

¹⁸ 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.

- 4.9** Increasing economic activity (i.e. expenditures, incomes and employment) within the Ashburton economy as a consequence of the proposed new facilities at Farmers Corner will give rise to one or more of these four welfare enhancing economic benefits for the local community.

Increased Diversity and Greater International Prominence for the Local Economy

- 4.10** As noted earlier in this report, the Ashburton District economy is heavily reliant on the agricultural sector and the processing of agricultural products. The proposed new facilities at Farmers Corner, enabled by the Private Plan Change, will help make the local economy slightly more diversified, in that it will lift the contribution tourism makes to District GDP. At the same time, the Private Plan Change and the consequent additional onsite and offsite activities envisaged to be provided to overnight guests will showcase the District's agricultural and manufacturing activities (e.g. farming, food production, and seed production) helping to develop an international branding for Ashburton's agricultural base.
- 4.11** Farmers Corner will also continue to encourage Asian awareness of Mid-Canterbury, and New Zealand products generally, including vegetables, meat, honey, milk products, lavender products, woollen goods, beer and wine. The "cook your own barbeque" experience using local meat and vegetables will encourage the demand for New Zealand produce from tourists after they have returned home – this happens now via Farmers Corner's shop and restaurant.

Educational Tourism

- 4.12** Farmers Corner already provides some Taiwanese college students work experience as part of those students' courses in tourism at Taiwanese Colleges under a formal contractual arrangement. With the proposed development it is intended to extend such activities, possibly involving students (and in some cases their families) staying for an extended period of time for work experience and/or study at local educational facilities. This will provide an additional stimulus to the local economy.

5. POTENTIAL ECONOMIC COSTS OF PROPOSED PRIVATE PLAN CHANGE

Lost Alternative Land Uses

- 5.1** Farmers Corner has or will acquire additional rural land on which to locate its new facilities. Lost alternative uses for this land are not an external cost of the Private Plan Change. The productive value of the land in alternative uses is internalised into the cost structure of Farmers Corner – in other words Farmers Corner in purchasing the land has paid a price reflective of future net returns from alternative uses for the land. Such costs are not costs to be borne by the wider community.

Utilities

- 5.2** Externality costs can arise when utilities provided by central or local government (e.g. roads, water supply, storm water and flood control systems and wastewater disposal) are not appropriately priced. In the case of the Farmers Corner proposed Private Plan Change, no such externality costs arise.
- 5.3** Farmers Corner and visitors to the complex will continue to make payments via road user charges and rates for the ongoing maintenance and necessary upgrades to the state highway and local council road networks, whilst any specific road upgrades required to service the expanded facilities at the complex will be funded by Farmers Corner.
- 5.4** With respect to other utilities, Farmers Corner will pay directly via rates, user charges and development contributions. There will be no need for other ratepayers in the District to cross-subsidise the Farmers Corner expansion of facilities and activities.

Impacts on Ashburton CBD Amenity Values

- 5.5** As discussed earlier in this report, the RMA specifically excludes consideration being given to trade competition or the effects of trade competition. However, where trade competition effects are of such significance that they threaten the overall vitality, vibrancy and amenity values of district or town centres then such effects are relevant considerations under the RMA as being beyond trade competition.
- 5.6** The proposed Private Plan Change will enable accommodation to be provided on the Farmers Corner site and arguably locating accommodation here rather

than within the CBD may negatively impact on the Ashburton CBD's overall vitality vibrancy and public amenity values. However this seems unlikely in that:

- (a) Farmers Corner has been informed by inbound tour operators that without the proposed new accommodation provided at its site the tour groups would instead be accommodated for an additional night (or two additional nights in some cases) in Queenstown, on the West Coast, Christchurch, or elsewhere within the South Island but not within the Ashburton CBD; and
- (b) Currently the Ashburton District CBD does not contain an accommodation offering of sufficient quantity and quality and which would meet the needs of the tourist groups which Farmers Corner are seeking to provide for. A new 75 room four star hotel is proposed to be developed in conjunction with the Scenic Circle Group in Ashburton's Eastfield Precinct.¹⁹ However, there is no reason why the provision of accommodation at the Farmers Corner site should jeopardise that development. As explained in the previous paragraph, the accommodation at Farmers Corner is primarily for visitors to the site who would not otherwise overnight in Ashburton. Also the integration of a farm experience with accommodation is a key aspect of the offering proposed by Farmers Corner and that cannot be replicated within Ashburton's CBD.

5.7 Therefore the proposed Private Plan Change will not divert trade away from the Ashburton CBD. In fact, to the extent previous sections of this report have identified additional employment, incomes and expenditure within the local economy from the new facilities proposed for the Farmers Corner site, there is likely to be some positive impacts on the CBD's vitality, vibrancy and public amenity values from the new facilities and activities planned for the site. There is likely to be only a limited direct flow from the overnight guest stays at Farmers Corner, as these guests' expenditure is likely to be largely directed at retail, accommodation, food and beverage and other activities at the Farmers Corner site itself and rural and non-CBD parts of the District. However, CBD businesses

¹⁹ See www.eastfielddashburton.co.nz/news.html; 24 November, 2017.

are expected to benefit from increased jobs, incomes and expenditure generated by Farmers Corner, businesses supplying goods and services to the expanded complex, businesses providing off-site activities to Framers Corner's guests and the employees (and families) of all these businesses – i.e. the indirect or multiplier effects.

6. CONCLUSIONS

- 6.1** The proposed Farmers Corner Private Plan Change will contribute to the economic and social well-being of the residents and businesses of the Ashburton District in that it will:
- (a) Increase employment, incomes and expenditure within the local economy during both the construction phase for the new facilities enabled under the Plan Change and during the operation of these new facilities; and
 - (b) Increase tourism's contribution to the local economy and increase the local economy's diversity, since it is currently very reliant on agriculture and agricultural product processing.
- 6.2** The proposed Farmers Corner Private Plan Change will increase economic efficiency by increasing the critical mass of the Ashburton local economy enabling economies of scale, increased competition, reduced unemployment and underemployment of resources and increased quality of central government provided services.
- 6.3** The proposed Farmers Corner Private Plan Change will not lead to any economic externality costs.