

**BEFORE THE INDEPENDENT HEARING COMMISSIONERS APPOINTED BY THE
WAIMAKARIRI DISTRICT COUNCIL**

IN THE MATTER of the Resource Management Act 1991 ('the Act')

AND

IN THE MATTER of Hearing of Submissions and Further Submissions on the
Proposed Waimakariri District Plan (**PWDP** or **the Proposed Plan**)

AND

IN THE MATTER OF Submissions and Further Submission on the Proposed Waimakariri
District Plan by **McAlpines Limited (McAlpines)**

EVIDENCE OF JOHN GARDNER ON BEHALF OF MCALPINES LTD

Dated: 7 August 2023

Presented for filing by:
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INTRODUCTION

- 1 My name is John Gardner.
- 2 I am the current General Manager – Timber for the McAlpines Group.
- 3 I have worked for the McAlpines Timber business for 27 years.
- 4 I have held several roles within the business over this time, in sales and marketing and a site production and management capacity.
- 5 I have been requested by the company to prepare this evidence to provide the Hearing Commissioners with a background to the different products manufactured by McAlpines, the current market share McAlpines' enjoys and the potential effects if McAlpines were forced to reduce their activities.

SCOPE OF EVIDENCE

- 6 In my evidence I address the following topics:
 - (a) The types of products made by McAlpines at its Rangiora sawmill;
 - (b) The markets which McAlpines sells to, and its importance as a supplier to these markets; and
 - (c) The potential effects of a reduction in McAlpines' operations.

PRODUCTS MANUFACTURED BY MCALPINES

- 7 McAlpines Timber makes structural, outdoor and re-manufacturing timber products for the domestic and export markets. These timber products are cut from logs grown in the Canterbury (especially North Canterbury) region.
- 8 These products are used in a variety of applications and end uses. Most of the structural wood we produce is used in the New Zealand housing construction industry. This can range from first home buyer type developments through to architectural homes. Some structural wood products are also used in light and heavy commercial construction, examples of this would be school construction, commercial developments, and internal framing for multi-story construction. The outdoor timber we make is used for landscaping and housing section finishing work. Examples include decking, pergolas, fences etc.

MARKETS SUPPLIED BY MCALPINES AND MARKET SHARE

- 9 McAlpines' products are regularly sold to customers in:
- (a) New Zealand;
 - (b) Australia;
 - (c) The Pacific Islands (several countries);
 - (d) Asia (several countries); and
 - (e) Indian Ocean Islands (several countries).
- 10 McAlpines has also supplied products to Europe, the Middle East and America over the years I have been involved in the business.
- 11 Within New Zealand, McAlpines is a major supplier to all the New Zealand based "Big Box" businesses, such as Mitre 10, Bunnings, and ITM. In other markets, depending on the product, we have a smaller market share.
- 12 Within Canterbury, McAlpines is a supplier of structural wood products. We are the largest single site structural wood producer (by m³ output) in the Canterbury region. We supply most of the larger frame and truss fabricators in the region. They use our structural wood products for house frame construction. Pallet and bin fabricators in the Canterbury region also use our products. This type of lower grade timber product is made into pallets for the agricultural and food storage business. Bins are made from our timber for storing supermarket products like potatoes, pumpkins etc.

POTENTIAL EFFECT ON SUPPLY TO MARKETS IF MCALPINE REDUCES THEIR OPERATIONS

- 13 A reduction or cessation in McAlpines' ability to operate would have a significant adverse effect on the forestry, sub-contractor, consumable supply businesses in the region (we purchase logs and industrial products to keep the plant running and use sub-contractor business to provide maintenance and plant improvements)
- 14 McAlpines' operation is a significant employer in the North Canterbury region. Any reduction in its capacity to produce timber products would also affect our ability to keep all our staff positions open.

15 Given that McAlpines is a significant supplier to the construction industry within New Zealand, a reduction in McAlpines output could have also have significant effects on our customers' ability to trade at their current level. Alternatives are not always available.

John Gardner

7 August 2023