



Final Report: 11 June 2026

Economic Assessment of Proposed Industrial Development for Fast-Track Referral

Prepared for:
Drury West Crossing Limited

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1. Executive Summary

Context

Drury West Crossing Limited seeks referral under the Fast-track Approvals Act 2024 (**FTAA**) for the industrial development of approximately 123 hectares of land in Ramarama, southern Auckland. The proposal would deliver a large industrial subdivision comprising approximately 91 industrial lots and a limited amount of supporting commercial activity.

The site is strategically located between State Highway 1 (**SH1**) and Great South Road, with direct access to the Ramarama interchange. It sits within southern Auckland's wider growth and employment corridor, close to the Drury South Crossing precinct, Stevenson's Drury Quarry, and other established and emerging urban activities.

Key Findings

The proposal would enable approximately 66.8 hectares of net developable land, and is expected to support approximately 350,000 m² of industrial gross floor area and 5,000 m² of commercial gross floor area over time.

Development of the proposal is estimated to require total investment of approximately \$1.3 billion. Over the assumed nine-year development period, that investment is estimated to support approximately 5,135 FTE-years of regional employment, generate \$461 million in wages and salaries, and contribute \$923 million to regional GDP.

At full operation, future onsite industrial and commercial activity is estimated to directly support work for around 1,920 people, equivalent to approximately 1,820 FTEs. These workers are estimated to earn approximately \$175 million in annual wages and salaries, with the future onsite activities generating approximately \$360 million in annual GDP.

Wider Economic Effects

The proposal would add a substantial quantum of industrial land in southern Auckland, which is one of Auckland's principal locations for new large-format industrial development. This is important because Auckland is New Zealand's primary industrial market and plays a critical role in supporting regional and national supply chains.

The proposal is also broadly consistent with the Southern Auckland Economic Masterplan, which identifies southern Auckland as a strategically important growth and employment corridor and recognises the Ramarama interchange as an opportunity node for logistics, enterprise and industrial activities. In that context, the proposal would help translate the Masterplan's broader economic objectives into additional employment-generating land supply in a highly accessible location.

The proposal responds to longer-term spatial trends in Auckland's industrial market, including the progressive shift of industrial activity southwards as more central precincts face pressure from higher land values, competing urban uses, fragmented ownership and limited opportunities for site aggregation. The site's size, flat contour, motorway access, proximity to Drury South Crossing, and

connection to the wider Auckland-Hamilton-Tauranga corridor make it well suited to land-extensive industrial activities such as warehousing, logistics, construction-related uses and light manufacturing.

By increasing the number and range of industrial lots available in a strategically located part of southern Auckland, the proposal would improve market choice, support greater land market competition, and help improve the responsiveness of industrial supply to future demand growth. This would support the efficient functioning of the industrial land market and contribute to a well-functioning urban environment under the NPS-UD.

The proposal is also likely to generate synergies with surrounding employment and urban growth areas. In particular, its proximity to Drury South Crossing and the substantial residential growth planned and underway across the wider Drury area creates a strong spatial relationship between jobs and housing. This can support labour-market efficiency by improving access to employment opportunities, reducing commuting distances for some workers, and reinforcing the role of southern Auckland as an integrated location for both population and employment growth.

The primary economic cost of the proposal is the loss of potential rural production from the site. However, even under an illustrative upper-bound scenario that assumes the full site is used for horticultural production, the forgone rural production is estimated at only around \$2.2 million in annual GDP, \$973,000 in wages and salaries, and 16 FTEs. This is small relative to the economic activity enabled by the proposal.

Conclusion

Overall, the proposal would deliver significant economic benefits for Auckland, including substantial one-time construction impacts, enduring onsite employment and GDP, a major boost to industrial land supply, improved market competition, and stronger support for southern Auckland's role as a major employment location. On that basis, we support the proposal on economic grounds.

2. Introduction

2.1. Context

Drury West Crossing Limited (the **applicant**) seeks referral under the Fast-track Approvals Act 2024 (**FTAA**) for the industrial development of land between State Highway 1 and Great South Road in Ramarama, southern Auckland (the **proposal**). The proposal spans approximately 123 hectares of land and will deliver an industrial subdivision comprising around 90 new lots of varying shapes and sizes, plus a small amount of supporting commercial activity.

2.2. FTAA Referral Criteria & Report Scope

The purpose of the FTAA is to facilitate the consenting of large-scale projects expected to generate significant regional or national benefits. Under Section 22 of the FTAA, proposals may be referred to an expert panel for fast-track consenting where the Minister is satisfied that they meet the purpose of the FTAA.

When deciding whether to refer a project, the Minister may consider a range of factors set out in Section 22(2)(a) of the FTAA. To that end, this report provides an economic assessment of the proposal against two of the referral criteria in Section 22(2)(a), namely whether the project will:

- iii. Contribute to a well-functioning urban environment (within the meaning of Policy 1 of the National Policy Statement on Urban Development 2020 (**NPS-UD**)); and
- iv. Deliver significant economic benefits.

2.3. Region Adopted

This report adopts the Auckland region as the relevant 'region' over which the significance of the proposal's economic benefits is assessed. Where relevant, we also consider effects at the southern Auckland level, as this is the local industrial market within which the proposal would operate.

2.4. Scope & Structure of this Report

This report provides a high-level assessment of the proposal against the criteria above from an economic perspective. The remainder of this document is structured as follows:

- **Section 3** identifies the subject site and summarises the latest proposed masterplan.
- **Section 4** describes the methodology used to estimate the proposal's economic benefits.
- **Section 5** details the inputs and assumptions used to estimate economic benefits.
- **Section 6** estimates the one-time impacts of the proposal's future development.
- **Section 7** estimates the annual impacts of non-residential activities sustained on-site.
- **Section 8** considers a range of wider economic impacts of the proposal.
- **Section 9** provides a checklist against the FTAA referral criteria.

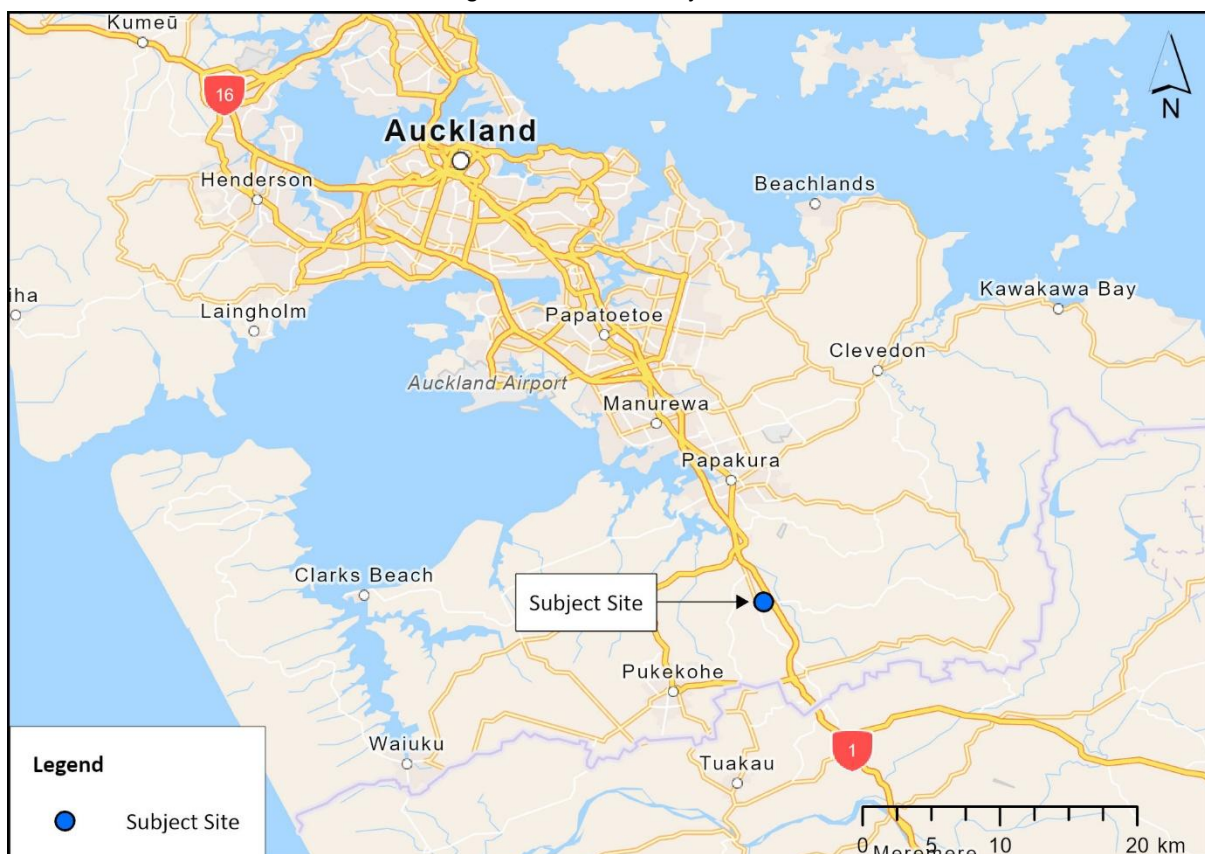
3. About the Proposal

This section identifies the subject site and provides indicative development yields.

3.1. Site Location & Description

The subject site is located on the western side of State Highway 1 (SH1) in Ramarama, in southern Auckland. It is bound by SH1 to the east, Great South Road to the west, and rural land to the north and south. The site is bisected by Ararimu Road, which connects directly to the Ramarama Interchange and provides strategic access to the wider Auckland transport network.

Figure 1: Location of Subject Site



The site spans approximately 123 hectares across multiple titles and is zoned Mixed Rural Zone under the Auckland Unitary Plan. It currently accommodates a range of rural activities. Land south of Ararimu Road is predominantly used for horticultural production, including vegetable crops such as broccoli and lettuce. North of Ararimu Road, parts of the site are undergoing staged earthworks pursuant to existing resource consents, with grazing activities being progressively displaced as the earthworks advance. This area also accommodates a small cluster of established activities near the Ararimu Road intersection, including a dairy and various rural-commercial operations. The northern rectangular portion of the site is currently used for grazing and is not subject to any active resource consents.

3.2. Receiving Environment

Figure 2 shows a satellite view of the site in its immediate receiving environment.

Figure 2: Receiving Environment



The site sits within a wider area that is transitioning from rural activities toward urban and industrial use. Immediately northeast of the site, across SH1, lies the emerging Drury South Crossing development, which is being progressively built out as a major industrial and residential precinct. Stevenson’s Drury Quarry is located further east, and is a major source of Auckland’s aggregate supply. The quarry anchors heavy industrial and extractive activity in the locality and is itself the subject of a proposed extension.

Strategically, the site occupies a highly accessible position between Great South Road and SH1, with the existing Ramarama interchange providing direct connection to the regional motorway network. This places it within southern Auckland’s wider growth and employment corridor, which regional economic strategy identifies as benefiting from its position within the Auckland-Hamilton-Tauranga “Golden Triangle” and from ongoing public and private investment in transport, housing, industrial land and employment-generating activities.¹

3.3. Indicative Masterplan

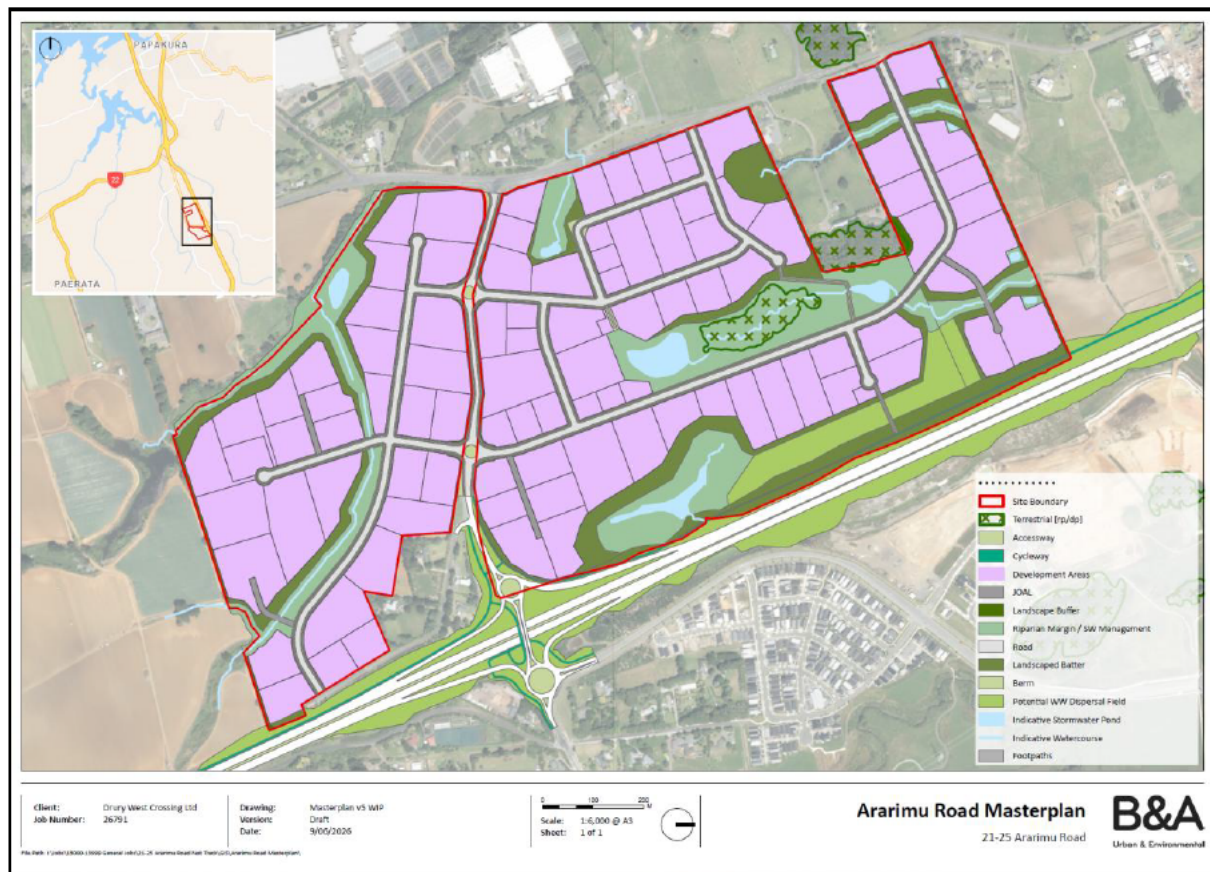
Figure 3 shows an indicative masterplan for the proposal, comprising a 111.9-hectare light industrial precinct containing 91 industrial lots ranging in size from around 2,000 m² to 31,000 m², with most lots falling within the 5,000–10,000 m² range. At full build-out, the precinct is expected to support approximately 350,000 m² of industrial gross floor area (**GFA**), together with up to 5,000 m² of supporting commercial floorspace. The development is structured around a new internal road

¹ Arup, Economic Masterplan: Southern Auckland, prepared for Tātaki Auckland Unlimited, April 2023, p. 3.

network connected to Ararimu Road and incorporates a comprehensive green network, including existing ecological areas and features, extensive landscape buffers, riparian corridors, stormwater management features, public open spaces, and active transport connections. The proposal also provides for up to six electronic billboards.

The proposed lot mix is intended to accommodate a diverse range of industrial occupiers, enabling activities ranging from trade and service businesses through to warehousing, logistics, and light manufacturing operations. The variety of lot sizes provides flexibility to meet the needs of both smaller owner-operators and larger businesses requiring more substantial land holdings. In addition to industrial activities, the proposal anticipates a limited amount of supporting commercial development intended to meet the day-to-day needs of workers and visitors within the precinct, potentially including food and beverage premises, convenience retail, a gym, and a service station. The proposal also includes associated infrastructure upgrades and extensions, including transport, stormwater, wastewater, water supply, electricity and telecommunications infrastructure.

Figure 3: Indicative Masterplan



4. Methodology

This section describes the methodology used to estimate the proposal's economic impacts.

4.1. Introduction to Multiplier Analysis

Our assessment uses a widely known technique called “multiplier analysis” to estimate the GDP, jobs, and wages/salaries associated with one-time and ongoing economic activity enabled by the proposal, plus the GDP, jobs, and wages/salaries lost via forgone rural production. Multiplier analysis is rooted in detailed matrices called “input-output” (I-O) tables, which show the interrelated supply chains that comprise an economy. As a result, they enable the overall impacts of a change in one sector to be traced through the economy to assess the overall impacts, including supply-chain effects.

Consider the following example. Suppose a local construction company wins a new building contract. In addition to boosting its own workforce to complete the job, the company will also need to engage various subcontractors and to source building products from its own suppliers. However, some of those suppliers, in turn, may then need to source various inputs from their suppliers, and so on. Multiplier analysis traces all these supply-chain interdependencies so that the wider economic effects of the new building work can be estimated, including flow-on effects.

As this example alludes to, multiplier analysis is particularly useful for assessing construction projects, because such a large share of the work is typically done by third parties (i.e., subcontractors), not the main contractor. In fact, according to the latest multipliers, for every \$1.00 of GDP generated directly in building construction, another \$2.76 is generated in the industries that support it.² Similarly, for every FTE directly employed in building construction, another 2.82 FTEs are employed by supply chain industries. Accordingly, multiplier analysis is particularly useful for assessing the economic impacts of large-scale construction projects like the proposal.

4.2. Scope of Effects Estimated

The impacts derived via multiplier analysis typically comprise three parts, namely:

- **Direct effects** – which capture the economic impacts of entities directly engaged to complete the project (e.g., the main building contractor); plus
- **Indirect effects** – which arise when the main contractor sources goods and services from their suppliers (i.e., subcontractors), who in turn may need to source goods and services from their own suppliers, and so on; and
- **Induced effects** – which occur when a share of the additional wages and salaries generated by the project (either directly or indirectly) are spent in the local/regional economy and therefore give rise to additional rounds of economic impacts.

² As measured by the indirect effect, i.e., excluding induced effects.

These effects are typically measured in terms of:

- **Contributions to value-added (or GDP):** GDP captures the value that a business adds to its inputs to produce its own outputs. In accounting terms, GDP equals a firm's earnings before interest, tax, depreciation, and amortisation (EBITDA), plus its total wages and salaries paid.
- **The number of FTEs employed:** this is measured in terms of full-time equivalents, which combines part-time and full-time counts into a standardised measure of employment.
- **Total wages and salaries paid to workers:** sometimes called 'household incomes.'

4.3. Limitations & Mitigation Strategy

Despite the intuitive appeal and widespread use of multiplier analysis, it does face some limitations. They include that it:

- **Assumes that businesses use inputs in fixed proportions:** i.e., without substituting towards more cost-effective options if/when they become available.
- **Ignores capacity constraints:** it assumes that labour, materials, and other inputs are always available when needed, which may be unrealistic in a tight economy.
- **Does not capture price effects:** multiplier models are fixed-price frameworks, which ignore cost inflation, wage pressures, and so on.

Consequently, multiplier analysis is useful for showing how spending ripples through an economy's supply chains, but it is not – on its face – a precise forecast of real-world net benefits. To help address these limitations and ensure that our analysis is as robust as possible, we adopted the following mitigation strategies and measures.

- **Strategy 1: Ignoring induced effects:** We ignore these because, in our view, much of the assumed spending would have likely occurred regardless of the proposal.
- **Strategy 2: Using the most up-to-date multipliers:** The multipliers used in this assessment were derived from National Accounts data for the year ended September 2025.
- **Strategy 3: Applying conservative construction cost rates:** While not a direct response to the limitations of multiplier analysis *per se*, we also adopt conservative construction cost rates for the proposal to further limit estimated one-time economic benefits.

5. Development Inputs & Assumptions

5.1. Introduction

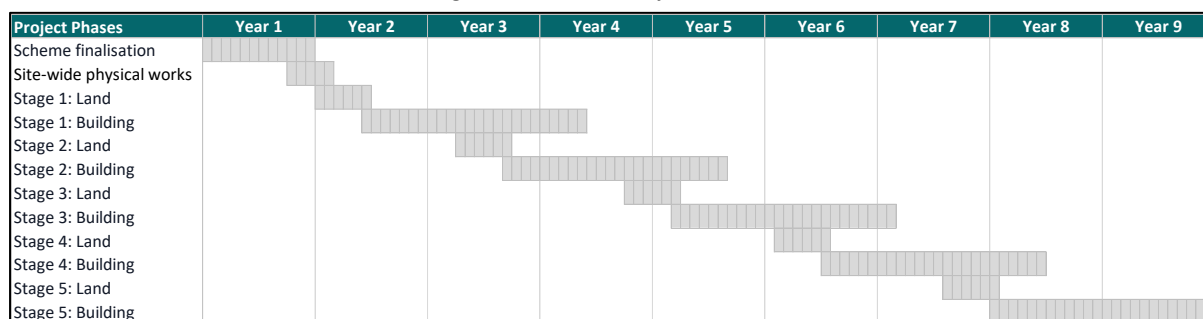
This section sets out the key inputs and assumptions used in our economic assessment, including the anticipated staging and timing of development, net developable area (**NDA**), and estimated construction costs. Where possible, inputs have been drawn from project-specific data and complemented with the latest available industry data to fill any gaps. All cost figures are expressed in current (2026) dollars unless otherwise stated. Throughout this report, we assume that 90 percent of estimated project benefits accrue to the Auckland region.

5.2. Staging & Timing

Our modelling assumes that the proposal is delivered in five stages over an approximate nine-year period. Development commences with a period of site-wide scheme finalisation and enabling works, which includes the delivery of bulk earthworks, trunk infrastructure, and lot subdivision. Then, the first stage of delivery commences.

Within each of the following stages, land development (including civil works and lot preparation) is expected to take approximately six months, followed by a building period of two years. Stages are sequenced so that land development commences as building construction in the previous stage nears completion, enabling a degree of overlap to optimise delivery efficiency and ensure seamless supply. Figure 4 provides an indicative timeline for the proposal.

Figure 4: Indicative Project Timeline



5.3. Anticipated Yield

While the final lot layout and corresponding development yield may be refined through the detailed design process, the current indicative masterplan provides for 91 industrial lots across approximately 66.8 hectares of NDA. Based on information provided by the applicant, it is assumed that the project will enable approximately 350,000 m² of industrial GFA and 5,000 m² of commercial GFA over time. While the proposal also provides for up to six electronic billboards, these have been excluded from the assessment on the basis that any associated economic effects are expected to be comparatively minor and immaterial to the overall findings of this report.

5.4. Construction Costs

Construction costs are drawn from regional benchmarks, and are tabulated below along with the estimated GFA yield above to derive a total construction cost estimate of approximately \$1.0 billion.³ See Table 1 below.

Table 1: Estimated Construction GFA & Total Cost

Building Types	Total GFA (m ²)	Cost/m ²	Build Cost \$m
Industrial	350,000	\$2,900	\$1,015
Commercial	5,000	\$3,900	\$20
Totals	355,000	\$2,910	\$1,035

5.5. Other Development Costs

The development will require significant upfront investment in site-wide enabling works before staged construction can commence, including bulk earthworks, trunk stormwater infrastructure, and the formation of the primary roading network. In addition, each stage will require further detailed design, local civil works, and other stage-related expenditures. This suite of broader costs was estimated using project-specific information wherever possible, with any gaps filled via broad industry averages gleaned from our experience with numerous similar developments across New Zealand.

5.6. Total Estimated Proposal Cost

Table 2 brings everything together to estimate the total development cost of the proposal, which is approximately \$1.3 billion. This expenditure forms the basis for the one-time economic impact assessment presented in Section 6.

Table 2: Summary of Estimated Project Investment

Cost Category	Estimated Cost (\$m)	Share of Cost
Scheme finalisation	\$10	0.8%
Site-wide enabling works	\$124	9.6%
Staged land development costs	\$62	4.8%
Staged building-related costs	\$62	4.8%
Construction costs	\$1,035	80.0%
Total Estimated Cost	\$1,293	100.0%

5.7. Ongoing Industrial Activity Assumptions

To estimate the ongoing economic activity generated by the proposal, we adopt the average employee densities set out in Table 3. In addition, we assume a ratio of 0.95 FTEs per job.

Table 3: Adopted Employment Densities

Activity	Land per FTE (m ²)
Industrial	340
Commercial	120

³ Build costs were based on average values over the last two years in the Auckland region, as reported in building consent data.

6. One-Time Impacts of Development

This section estimates the one-time impacts of future development enabled by the proposal.

6.1. Introduction

Above, we demonstrated that the proposal could deliver about 355,500 m² of mostly industrial floorspace across 91 sites. Preparing the land for development, installing all necessary infrastructure, subdividing it, then constructing new buildings on each lot (not to mention obtaining all building consents, and so on) will have significant one-time economic impacts on GDP, jobs, and wages. These are estimated below using the methodology and development-specific inputs summarised above.

6.2. Impacts on GDP, Jobs & Wages

Table 4 presents the one-time impacts of the proposal's development on the Auckland region.

Table 4: One-Time Economic Impacts of the Proposal (spread over 9 years)

Employment (FTE-years)	Direct	Indirect	Total
Upfront/Site-wide	215	280	495
Stage 1	265	645	910
Stage 2	265	645	910
Stage 3	265	645	910
Stage 4	280	675	955
Stage 5	280	675	955
Project Totals	1,570	3,565	5,135
Wages & Salaries (\$m)	Direct	Indirect	Total
Upfront/Site-wide	\$24	\$26	\$50
Stage 1	\$24	\$57	\$81
Stage 2	\$24	\$57	\$81
Stage 3	\$24	\$57	\$81
Stage 4	\$25	\$59	\$84
Stage 5	\$25	\$59	\$84
Project Totals	\$146	\$315	\$461
GDP (\$m)	Direct	Indirect	Total
Upfront/Site-wide	\$43	\$54	\$97
Stage 1	\$50	\$112	\$162
Stage 2	\$50	\$112	\$162
Stage 3	\$50	\$112	\$162
Stage 4	\$52	\$118	\$170
Stage 5	\$52	\$118	\$170
Project Totals	\$297	\$626	\$923

To summarise:

- Overall, the proposal's development is estimated to boost regional employment by about 5,135 FTE-years, generating approximately \$461 million in wages and salaries, and lifting GDP by about \$923 million.
- Consistent with the commentary above, indirect effects dominate the proposal's one-time economic impacts of development, accounting for nearly 70 percent of the total for all three metrics.

Up-front, site-wide enabling works are likely to have relatively modest impacts, but they pave the way for the greatest impacts that occur during the subsequent development stages.

6.3. Top 10 Industries by FTEs Employed

To better understand the likely impacts of the proposal's future development, Table 5 reveals the 10 industries likely to experience the greatest employment boosts. Those top 10 industries account for more than 80 percent of all full-time employment generated by the proposal, with the balance spread across numerous other sectors.

Table 5: Top 10 Industries by FTE-years Generated during Development

Industries	FTE-years	Shares
Building Construction	1306	25%
Construction Services	1073	21%
Professional, Scientific and Technical Services	530	10%
Heavy and Civil Engineering Construction	304	6%
Wholesale Trade	231	4%
Fabricated Metal Product Manufacturing	218	4%
Wood Product Manufacturing	193	4%
Administrative and Support Services	172	3%
Non-Metallic Mineral Product Manufacturing	99	2%
Petroleum and Coal Product Manufacturing	81	2%
Top 10 Subtotal	4,207	82%
All Other Industries	928	18%
Total All Industries	5,135	100%

7. Ongoing Impacts of Future Uses

This section estimates the annual impacts of future industrial and commercial uses on the subject site at full build-out.

7.1. Introduction

In addition to the one-off economic impacts of the proposal's development, as just estimated, significant ongoing economic activity will be sustained on the site over time. Below, we estimate these impacts in terms of their annual contributions to regional GDP, jobs, and wages using the methodology and project-specific inputs and assumptions above.

7.2. Annual GDP, Jobs, and Wages

At full operation, the proposal is estimated to directly support the following annual, ongoing regional economic activity:

- Work for 1,920 people (which collectively yield 1,820 FTEs);
- \$175 million paid annually in salaries and wages; and
- GDP of \$360 million.

When offsite supply-chain effects are included, future site uses enabled by the proposal could support even greater ongoing activity to benefit the community's long-term social and economic needs.

7.3. Wider Ongoing Employment Impacts

In addition to the quantified employment, GDP and wage impacts above, the proposal would support a broad and durable employment base in southern Auckland. Future industrial activities are likely to sustain a diverse range of roles, including entry-level, trade, technical, logistics, administrative, supervisory and managerial positions.

This diversity is economically important because it supports participation across different skill levels and provides pathways for training, career development and progression over time. Industrial activities also tend to provide relatively stable, year-round employment, helping to support household incomes and labour-market resilience.

While the precise mix of future activities will depend on market demand, the scale and flexibility of the proposed lot pattern means the site could accommodate a range of occupiers and employment types. In our view, this would make a positive contribution to southern Auckland's employment base and support the community's long-term social and economic needs.

8. Wider Economic Impacts

This section considers a range of wider economic impacts of the proposal.

8.1. Project Acceleration

Not only will the proposal provide meaningful employment for a wide range of local workers, as illustrated above, but it will likely progress considerably faster via the FTAA process than would otherwise be the case.

Absent Fast-track approval, the proposal is likely to be subjected to a protracted resource consent process that would invariably take significantly longer. Accordingly, the Fast-track process enables the project to commence sooner, thereby allowing the associated economic benefits to be realised sooner too.

8.2. Significant Boost in Industrial Supply

Auckland is New Zealand's primary industrial market, accommodating the country's largest concentration of population, firms, infrastructure, and freight gateways. Ensuring that the region maintains a sufficient pipeline of well-located industrial land is therefore important not only for Auckland's economy, but also for the efficient operation of wider supply chains.

Within Auckland, industrial activity has progressively shifted southwards over time as more central precincts face pressure from higher land values, competing urban uses, fragmented ownership, and limited opportunities for site aggregation. This trend is particularly relevant for land-extensive activities such as logistics, storage, construction-related uses, and modern light industrial formats, which typically require large, well-configured sites with efficient access to the strategic transport network.

The proposal responds directly to these locational and operational requirements. With approximately 66 hectares of net developable industrial land across 91 lots, it would add a substantial quantum of industrial supply in southern Auckland, which is recognised as one of the region's principal locations for new large-format industrial development.⁴ The site is large, relatively flat, contiguous, and strategically positioned between SH1 and Great South Road, with direct access to the Ramarama interchange and close proximity to established and emerging industrial activity at Drury South.

Recent market evidence also supports the importance of maintaining a forward pipeline of suitable industrial land. Auckland's industrial market has eased over the past year, with overall vacancy reaching around 2.8 percent in February 2026 following an extended period of exceptionally tight conditions.⁵ Conditions in the southern precincts remain comparatively firm, with Drury continuing to

⁴ For example, Auckland Council's Future Development Strategy 2023–2053 (adopted November 2023) identifies Drury as one of the priority areas for major growth and infrastructure investment over the coming decade, and Drury-Ōpāheke as a significant future urban and business-land growth area. See also Tātaki Auckland Unlimited / Auckland Council, Southern Auckland Economic Masterplan.

⁵ Colliers International New Zealand Ltd, Colliers Essentials: Auckland Industrial Report – First Half 2026 (data to February 2026).

record some of the lowest vacancy in the region,⁶ and the bulk of industrial land at the neighbouring Drury South Crossing precinct having been taken up over recent years.⁷

Against that backdrop, the proposal would expand industrial supply in a location and form for which demand has been consistently demonstrated. It would provide a sizeable holding of strategically connected land suited to a range of occupiers, from trade and service businesses through to warehousing, logistics, and light manufacturing, which are increasingly difficult to accommodate within Auckland's more established and fragmented precincts. By unlocking additional industrial land supply, the proposal would improve the market's responsiveness to future demand growth and thereby help reduce the rate at which industrial land prices increase over time, relative to the status quo. In doing so, it would support the efficient functioning of the industrial land market and contribute to a well-functioning urban environment under the NPS-UD.

8.3. Land Market Competition

Beyond the quantum of supply, the proposal would also help foster competition in the southern Auckland industrial land market. This is important because, as recognised through Objective 2 of the NPS-UD, competition is central to economic efficiency. A more competitive land market gives landowners and developers stronger incentives to bring suitably located industrial land to market in a timely and cost-effective manner, helping ensure that businesses have access to land that meets their operational needs.

By contrast, where industrial land supply is limited or slow to respond to demand, businesses can face reduced choice, higher land costs, and greater difficulty securing sites of the right size, configuration and location. These effects can reduce the overall efficiency of the industrial land market and may displace activity to less suitable locations. By increasing the number and range of industrial lots available in a strategically located part of southern Auckland, the proposal would broaden market choice, support greater contestability, and help improve the responsiveness of supply over time.

8.4. Potential Synergies with Other Land Uses

The site is well placed to realise synergies with surrounding and emerging land uses. It lies directly across SH1 from the Drury South Crossing precinct, an established and expanding industrial and logistics node, and is in close proximity to Stevenson's Drury Quarry, a major source of Auckland's aggregate. Co-locating additional industrial activity alongside these uses supports agglomeration benefits, including shared access to suppliers and contractors, labour-market pooling, and lower transport and coordination costs between firms. Proximity to the quarry is particularly relevant for construction-related and other aggregate-intensive activities, for which shorter haulage distances are a direct cost advantage.

The site's strategic position beside SH1 and the Ramarama interchange further reinforces its suitability for industrial and logistics activity. The Southern Auckland Economic Masterplan identifies motorway

⁶ Colliers International New Zealand Ltd, Auckland Industrial Vacancy (market snapshot, Q1 2026).

⁷ Based on sales and marketing material for the Drury South Crossing precinct, including CBRE New Zealand, "Rare greenfield industrial site in new Drury development," and Bayleys South Auckland industrial listings, indicating that the majority of industrial land within the precinct has been sold.

interchanges as opportunity nodes for logistics, enterprise and industrial uses, noting that such locations provide high levels of regional accessibility and enable goods and people to connect efficiently with the wider Auckland and North Island transport networks.⁸ In that context, the proposal aligns with the broader economic logic of concentrating employment-generating activities in highly accessible locations where they can support, and be supported by, surrounding industrial, logistics and urban growth.

The site is also positioned to draw on, and contribute to, the substantial residential growth planned across the wider Drury area, supporting a closer match between employment and the local workforce and shorter commuting patterns over time. More broadly, its location on SH1 within the southern growth corridor places it on the principal freight route linking Auckland with Hamilton and Tauranga. While these effects are difficult to quantify reliably, the site's location means it is likely to complement, rather than operate in isolation from, the industrial, extractive, logistics and urban activities developing around it.

8.5. Forgone Rural Production

The primary economic cost of the proposal is forgoing the opportunity to put the site to alternative uses such as rural production. To provide an indicative upper-bound estimate of this effect, we have modelled the economic output that could be associated with the full site area if it were entirely devoted to horticultural production, being the highest-value rural activity currently occurring on parts of the site. Specifically, we sourced estimates of GDP, wages/salaries, and FTEs per hectare of various horticultural uses to derive the median values per hectare in Table 6.

Table 6: Assumed Rural Production per Hectare

Economic Measure	Value per Ha
GDP	\$17,660
Wages/salaries	\$7,910
FTEs	0.132

Applying these to the site's 123 hectares yields the following annual forgone rural production values.

Table 7: Estimated Annual Forgone Rural Production

Economic Measure	Values
GDP	\$2,172,000
Wages/salaries	\$973,000
FTEs	16

In practice, this is likely to materially overstate the true opportunity cost of the proposal. As noted above, only part of the site is currently in active horticultural production, while other areas are used for grazing, accommodate existing rural-commercial activities, or are subject to consented staged earthworks that are progressively displacing existing rural uses. Accordingly, the estimated loss of rural production should be interpreted as an illustrative upper-bound comparison, rather than a precise estimate of actual activity displaced by the proposal.

⁸ Arup, *Economic Masterplan: Southern Auckland*, prepared for Tātaki Auckland Unlimited, April 2023, pp. 32–34 and 38.

Even on that conservative basis, the estimated forgone rural production is expected to be small relative to the one-time construction impacts and ongoing employment, GDP and wage impacts enabled by the proposal. For example, future industrial uses enabled by the proposal are estimated to sustain approximately 1,820 onsite FTEs, earnings of \$175 million in annual wages and salaries, and \$360 million in annual GDP (in addition to the one-off development effects generated during construction).

8.6. Alignment with Southern Auckland Economic Masterplan

The Southern Auckland Economic Masterplan identifies southern Auckland as a strategically important growth and employment corridor within the Auckland-Hamilton-Tauranga “Golden Triangle”, supported by significant public and private investment in housing, transport, industrial land and employment-generating activities. It also identifies motorway interchanges as opportunity nodes for logistics, enterprise and industrial activities, including the existing Ramarama interchange.⁹

Several of the Masterplan’s key themes are relevant to the proposal. In particular, the Masterplan seeks to support employment growth in highly accessible locations, foster agglomeration and clustering benefits, and provide employment opportunities alongside ongoing urban growth. The proposal closely aligns with these themes by enabling a substantial industrial precinct adjacent to SH1 and the Ramarama interchange, in close proximity to established and emerging industrial, logistics and extractive activities, and within a broader corridor experiencing significant residential and employment growth.

The Masterplan also recognises the importance of balancing economic development with other considerations, including avoiding fragmented development, managing effects on highly productive soils, and responding to market demand, all of which are discussed above. Overall, we consider the proposal to be broadly consistent with the intent of the Southern Auckland Economic Masterplan.

8.7. Investment Signal Effects

Finally, the development is likely to provide a positive signal to the market regarding the future growth and development prospects of the region. Large-scale investments of this nature can increase investor confidence and help spur or bring forward complementary private-sector investment, particularly in residential, retail, hospitality and commercial activities. While difficult to quantify, these wider signalling effects can contribute to the pace and scale of urban development over time.

⁹ Arup, *Economic Masterplan: Southern Auckland*, prepared for Tātaki Auckland Unlimited, April 2023, pp. 3-4, 28, 34.

9. Conclusion & Checklist

9.1. Conclusion

The availability of well-located, developable industrial land in Auckland is important for the efficient functioning of the regional economy. The proposal would help meet demand for such land while also:

- Contributing to a well-functioning urban environment; and
- Generating significant regional economic benefits.

In addition, the Fast-track process helps ensure that those benefits are realised sooner than traditional consenting pathways would normally otherwise allow. On that basis, we consider the proposal meets criteria 22(2)(a)(iii) and 22(2)(a)(iv) of the FTAA and we support it on economic grounds.

9.2. FTAA Criteria Checklist

The following table provides a signpost to where each of the relevant criteria listed in Section 22(2)(a) of the FTAA are addressed in this report.

Table 8: Assessment Against Section 22(2)(a) Criteria of FTAA

Ref	Criterion	Signpost
(i)	Identified as a priority project in government plans or strategies	n/a
(ii)	Delivers new or supports existing regionally/nationally significant infrastructure	n/a
(iii)	Increases housing supply, addresses housing needs, or contributes to a well-functioning urban environment	Section 8
(iv)	Delivers significant economic benefits	Sections 6, 7 & 8
(v)	Supports primary industries, including aquaculture	n/a
(vi)	Supports development of natural resources, including minerals and petroleum	n/a
(vii)	Supports climate change mitigation (e.g. reducing greenhouse gas emissions)	n/a
(viii)	Supports climate change adaptation, reduces risk from natural hazards	n/a
(ix)	Addresses significant environmental issues	n/a
(x)	Consistent with local/regional planning documents and spatial strategies	Section 8