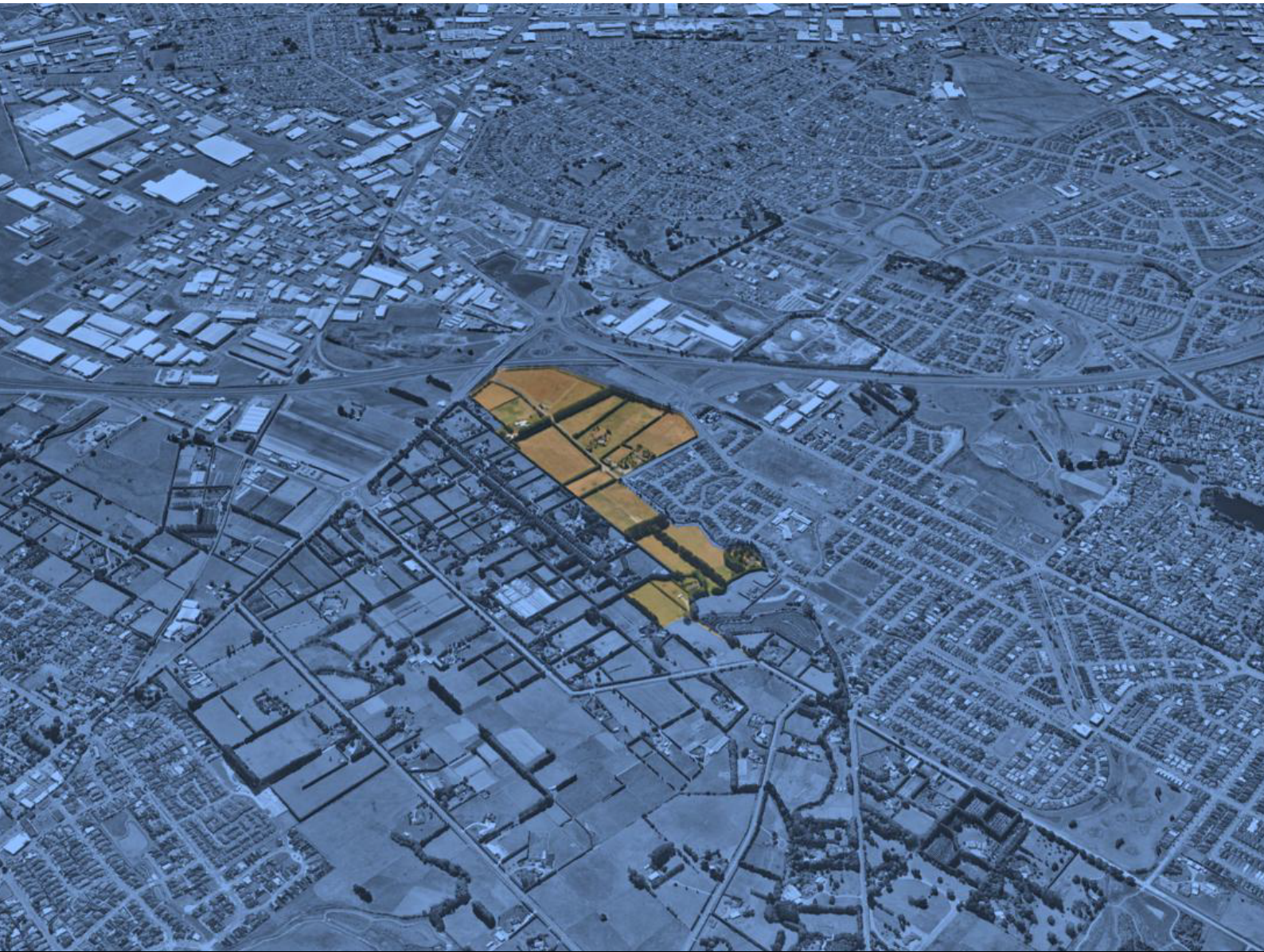




Final Report: 4 May 2026

Economic Assessment of Proposed Halswell Development for Fast-track Referral

Prepared for:
Urban Estates

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1. Executive Summary

Context

Urban Estates (the **applicant**) seeks to enable the residential development of approximately 38 hectares of land at John Paterson Drive, Halswell, on the south-western edge of Christchurch City. The proposal would enable the future delivery of around 510 residential lots and a small reserve. To expedite delivery, the applicant is seeking consent for the proposal under the Fast-track Approvals Act 2024 (**FTAA**).

This report provides a high-level assessment of the proposal against criteria 22(2)(a)(iii) and 22(2)(a)(iv) of the FTAA from an economic perspective.

Key Findings

Significant One-Time Economic Impacts

Development enabled by the proposal will generate substantial one-time economic activity associated with planning, infrastructure provision, and residential construction. Based on an estimated total development cost of approximately \$318 million and assuming a five-year development period, we estimate the following regional impacts:

- Around **1,330 FTE-years of employment** (equivalent to approximately 266 full-time workers employed over five years);
- Approximately **\$191 million in GDP**; and
- Around **\$114 million in wages and salaries**.

These impacts are concentrated in construction, civil works, and professional services, with flow-on effects across many industries, including manufacturing, logistics, and business services.

Housing Market Impacts

The proposal will deliver a number of important housing market benefits:

- **Significant increase in housing supply:** The proposal enables up to approximately 506 new dwellings (i.e., excluding the four existing dwellings) in a well-located greenfield area of Christchurch City. This represents a significant increase in residential development capacity and will help improve the responsiveness of the housing market to demand growth over time.
- **Giving effect to the NPS-UD:** The proposal assists the Greater Christchurch Partnership to meet its obligation to provide at least sufficient housing capacity at all times. It enables greenfield housing in a location where recent delivery has been dominated by standalone dwellings, aligning new capacity with observed market outcomes and household preferences.
- **Land market competition:** By bringing a large quantum of developable land to market, the proposal supports competition in the land market, which underpins housing market efficiency and affordability.

- **Well-functioning urban environments:** The proposal enables a master-planned urban extension that supports coordinated infrastructure delivery, efficient land use, and integration with surrounding neighbourhoods.

Wider Economic Benefits

In addition to its direct housing and construction impacts, the proposal will generate broader economic benefits, including:

- **Support for nearby centres:** The addition of a permanent resident population will provide ongoing spending to support the viability and vitality of nearby centres, including the Christchurch CBD.
- **Strong spatial match with employment:** The site is located within Christchurch's southern quadrant, which has captured a growing share of the city's commercial and industrial employment. Proximity to major employment areas such as Hornby provides future residents with access to a wide range of jobs within a short commute.
- **Higher and better use of land:** The proposal enables a shift from low-intensity rural uses to urban residential activity, representing a more productive and efficient use of land in an urban context.
- **Investment signal effects:** Delivery of a large, capital-intensive residential development signals confidence in Christchurch's medium- to long-term growth prospects and may help spur on, accelerate, or bring forward other developments.

Conclusion

Christchurch City continues to experience population growth and ongoing pressure on housing supply and affordability. The proposal directly responds to these conditions by enabling a substantial increase in housing capacity in a strategic and well-located greenfield area.

The proposal:

- Makes a **regionally significant contribution to housing supply** and supports a well-functioning urban environment; and
- **Delivers significant economic benefits**, including substantial one-time employment, GDP, and income effects.

Use of the FTAA would materially accelerate delivery of these benefits relative to traditional consenting pathways. On this basis, we consider the proposal meets criteria 22(2)(a)(iii) and 22(2)(a)(iv) of the FTAA and is supported on economic grounds.

2. Introduction

2.1. Context

Urban Estates (the **applicant**) seeks to enable the residential development of approximately 38 hectares of land at John Paterson Drive, Halswell, in Christchurch City. The proposal would enable the creation of circa 510 residential lots plus a small reserve. To expedite delivery, the applicant is seeking consent for the proposal under the Fast-track Approvals Act 2024 (**FTAA**).

2.2. Criteria for Assessing Referral Applications

The FTAA is a new, permanent Fast-track approvals regime. The purpose of the Act is to facilitate the delivery of infrastructure or development projects with significant regional or national benefits. Under section 22 of the Act, proposals may be referred to an expert panel for Fast-track consenting where the Minister is satisfied that the project meets the purpose of the Act.

In considering whether to refer a project, the Minister may consider a range of factors set out in Section 22(2)(a). To assist decision makers, this report provides an assessment of the proposal against two of those criteria from an economic perspective. Specifically, it considers whether the project:

- iii. Will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of policy 1 of the National Policy Statement on Urban Development 2020 (**NPS-UD**)).
- iv. Will deliver significant economic benefits.

2.3. Scope and Structure of this Document

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 provides indicative development yields.
- **Section 4** estimates the one-time impacts of future development enabled by the proposal.
- **Section 5** assesses the likely impacts of the proposal on the local housing market.
- **Section 6** considers a range of wider economic benefits of the proposal.
- **Section 7** identifies potential economic costs of the proposal.
- **Section 8** describes how the FTAA process would accelerate delivery of the proposal.
- **Section 9** provides a conclusion and 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 and Description

The subject site is located at John Paterson Drive on the south-western edge of Christchurch City, as shown in Figure 1. It forms part of the southern urban fringe of Halswell and adjoins the Halswell West development area.

The land is zoned Rural Urban Fringe under the Christchurch District Plan and has a total area of approximately 37.7296 hectares.

Figure 1: Location of Subject Site



3.2. Receiving Environment

The subject site is bounded to the north by the Christchurch Southern Motorway. To the east, the site adjoins established residential neighbourhoods, including Knights Stream Park and Knights Stream School. Land to the south and west is predominantly rural in character, comprising rural lifestyle blocks, open farmland, and waterway and reserve corridors, including the Knights Stream.

Overall, the site sits between established urban development and rural land, and represents a transitional interface between the existing Halswell urban area and the surrounding rural environment.

Figure 2: Receiving Environment



3.3. Anticipated Development Yields

While the proposal would enable the creation of approximately 510 residential lots, the current indicative subdivision layout shows approximately 501 lots, including four existing dwellings on the site that are assumed to be retained, equating to around 497 new homes. The final yield will be confirmed through detailed design following consent and may differ from the indicative layout. Figure 3 presents the indicative subdivision layout.

The indicative yield excludes land identified for a potential reserve area, shown in green on the plan, which is expected to comprise approximately 3,079 m².

Figure 3: Indicative Lot Layout



4. One-Time Impacts of Development

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

4.1. Introduction

Delivering the new homes enabled by the proposal will require substantial development activity to transition the site from its current rural state to the proposed built form, including planning, design, and consenting work, bulk earthworks, infrastructure provision, site preparation, and construction of the residential dwellings. This section captures the temporary increase in economic activity generated during this development phase, expressed in terms of GDP, employment, and household income. Given the scale of construction enabled by the proposal, these one-time effects represent a significant injection of activity into the regional economy, particularly across the construction, professional services, and manufacturing sectors.

4.2. Methodology

We quantified these one-time economic impacts using a technique called multiplier analysis, which traces the impacts of additional economic activity in one sector – such as construction – through its supply chain to estimate the overall impacts, including flow-on effects. These comprise two parts:¹

- **Direct impacts** – which capture all on-site and off-site activities directly related to the proposal's development, e.g., home builders and their various subcontractors and suppliers, some of which will be on-site, and some of which will be off-site.
- **Indirect effects** – which capture additional (supply-chain) impacts arising when businesses working directly on the project source goods and services from their suppliers, who in turn may need to source goods and services from their own suppliers, and so on.

These economic impacts are measured in various ways, including:

- **Contributions to GDP (or value-added)** – GDP measures the difference between a business' inputs (excluding wages and salaries) and the value of its outputs. It captures the value that a business adds to its inputs to create its own outputs, hence the term "value-added."
- **Total FTEs** – which equals the total number of full-time equivalent (FTE) workers employed.
- **Total Jobs** – which is the total number of people employed, i.e., including both part-time and full-time workers.

¹ In some applications of multiplier analysis, induced impacts are also reported. These represent the additional economic activity generated when workers employed directly or indirectly by a proposal spend their wages and salaries in the wider economy. While such spending does create some additional demand, much of it would have occurred anyway, since many workers (particularly those with specialist skills) would likely be employed elsewhere in New Zealand absent the proposal. For this reason, induced effects tend to overstate the economic benefits. Including them can also lead to implausible results, such as suggesting that every dollar of expenditure generates more than one dollar of GDP. In practice, the economy cannot expand indefinitely, as firms face limits on available labour and resources. These constraints, along with rising prices, prevent such outcomes. Accordingly, this assessment reports only direct and indirect effects.

- **Total wages and salaries** – which equals the total amount paid in wages and salaries.

For example, when a construction firm wins a new project, they will subcontract various parts of the build to other companies, such as glaziers, tilers, plumbers, electricians, etc. Those subcontractors, in turn, will then usually need to source additional materials and services from their suppliers, who may then need to source materials and services from their suppliers, and so on. Multiplier analysis enables the impacts of these supply chain interactions to be captured to estimate the overall impact of the new building project, including its direct and flow-on (supply chain) effects.

4.3. Limitations

While multiplier analysis is a widely used tool for estimating the wider economic effects of industry activity, it has several limitations that should be borne in mind when interpreting results:

- **Fixed relationships:** Models assume fixed input-output ratios between industries and do not capture technological change, substitution, or efficiency improvements over time.
- **No price or capacity constraints:** The framework assumes that supply can expand to meet increased demand without affecting prices, wages, or resource availability. In reality, constraints, such as limited skilled labour, may dampen the scale of impacts.
- **Average industry structure:** Input-output coefficients are based on national industry averages. Where a project's cost structure differs materially relative to industry norms, results may diverge from actual outcomes.
- **No feedback effects:** Broader economy-wide feedback loops (such as inflationary pressures or exchange rate effects) are not captured.

These limitations mean that multiplier analysis should be viewed as providing indicative estimates of the scale and distribution of economic impacts, rather than precise forecasts.

4.4. Development Assumptions

Based on the location and nature of the proposal, we assume that 80% of the national one-time impacts accrue to the Canterbury region.²

The analysis is underpinned by assumptions regarding the scale and cost of future development enabled by the proposal, informed by the indicative residential yields. Construction costs were first estimated, with planning, design, and consenting costs and earthworks and infrastructure costs then applied as proportions of total construction expenditure. Planning, design, and consenting costs are assumed to equal 2 percent of construction costs, while earthworks and infrastructure costs are

² In some countries, regional I-O tables are commonly used to estimate subnational economic impacts. However, in New Zealand, the regions are generally too small and economically interlinked to produce reliable standalone I-O tables. Regional data is often sparse, outdated, or lacks the industry granularity required for robust modelling. Accordingly, we have used national multipliers and attributed a share of national impacts to the Canterbury region.

assumed to equal 20 percent, consistent with Insight Economics' experience on comparable developments elsewhere in New Zealand.

While the proposal would enable the creation of approximately 510 residential lots, for the purposes of this analysis we have adopted the indicative subdivision layout shown in Figure 3 as the basis for modelling. On this basis, the proposal provides for a net developable area of approximately 23.3 hectares, with an indicative yield of 501 residential dwelling lots, including four existing dwellings. This equates to a net density of around 21.5 households per hectare and an average lot size of approximately 465 m². Final yields will be confirmed through detailed design and may differ from the indicative figure used in this assessment.

Rather than assuming an even distribution of dwelling types, the mix of dwellings has been derived directly from the indicative subdivision layout. Analysis of the scheme plan indicates that the majority of lots fall within the 400 to 500 m² range, with smaller shares below 400 m² and above 500 m². On this basis, lots between 400 and 500 m² have been classified as medium dwellings, those below 400 m² as small dwellings, and those above 500 m² as large dwellings. This results in an assumed distribution of 79 small dwellings, 318 medium dwellings, and 100 large dwellings.³

To inform assumptions about dwelling size, recently constructed residential properties were profiled using Cotality's Property Guru database. The profiling covered standalone dwellings constructed over the past five years in Halswell, Wigram, Hornby, and Prebbleton (Selwyn District), and was used to derive representative average gross floor areas (**GFA**) for each lot size grouping. These equate to 145 m² for small dwellings, 170 m² for medium dwellings, and 195 m² for large dwellings. Build costs have been applied on a GFA basis using an average construction cost of \$3,070 per square metre.⁴

Table 1 summarises the resulting residential development assumptions and associated construction costs.

Table 1: Residential Development Assumptions

Dwelling Types	Count of New Dwellings	Average Size GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
Standalone (Small)	79	145	\$3,070	\$35
Standalone (Medium)	318	170	\$3,070	\$166
Standalone (Large)	100	195	\$3,070	\$60
Totals	497	n/a	n/a	\$261

Overall, total construction costs are estimated at \$261 million in today's dollars, from which we then derived:

³ CCC's Built Environment Reporting indicates that approximately 15-20 percent of greenfield housing delivery in Christchurch over recent years has comprised multi-unit dwellings. For simplicity and transparency, the modelling assumes standalone dwellings only. This approach is conservative in terms of dwelling yield and construction costs and does not preclude a mix of attached or multi-unit housing outcomes being delivered on the site in practice.

⁴ This rate is derived from Christchurch City building consent data for the year to January 2026.

- \$5 million for planning, designing, and consenting costs (i.e., 2% of build costs); and
- \$52 million for infrastructure and civil works costs (i.e., 20% of build costs).

4.5. Summary of Development Costs

Table 2 summarises the estimated total cost of development enabled by the proposal across the three key activities based on the assumptions set out above, which equal \$318 million in today's dollars.

Table 2: Summary of Estimated Development Costs (\$ millions)

Development Activity	\$ millions
Planning, Design, and Consent	\$5
Civil Works and Infrastructure Provision	\$52
Residential Construction	\$261
Total Development Cost	\$318

Finally, we mapped these costs to sectors of the regional/national economy, then overlaid the latest economic multipliers⁵ to derive the one-off impacts of the proposal, as set out below.

4.6. Estimated Impacts on GDP, Jobs, and Wages

Table 3 presents the one-time impacts associated with development enabled by the proposal. All activities are assumed to occur over a five-year period.

Table 3: One-Time Economic Impacts of Development by Activity (spread over five years)

	Planning & Design	Infrastructure & Civil Works	Residential Construction	Development Totals
Annual Jobs				
Direct impacts	4	20	61	85
Indirect impacts	3	26	170	199
Total	7	46	231	284
Annual FTEs				
Direct impacts	3	19	59	81
Indirect impacts	2	24	159	185
Total	5	43	218	266
Total Wages \$m				
Direct impacts	\$2	\$10	\$22	\$34
Indirect impacts	\$1	\$11	\$68	\$80
Total	\$3	\$21	\$90	\$114
Total GDP \$m				
Direct impacts	\$3	\$14	\$35	\$52
Indirect impacts	\$2	\$20	\$117	\$139
Total	\$5	\$34	\$152	\$191

⁵ Multipliers were derived by Insight Economics using Stats NZ source data, including the Annual Enterprise Survey, Linked Employer-Employee Data, Quarterly Employment Survey, and Monthly Employment Indicators.

In summary, we estimate that:

- Future planning, design, and consenting will create full-time employment for five people over the five-year development period, generating total wages and salaries of \$3 million;
- Land development (including infrastructure provision and all other civil works) will create full-time work for 43 people, with \$21 million paid in wages and salaries; and
- Residential construction will provide full-time work for 218 people, with \$90 million paid in wages and salaries.

Overall, development enabled by the proposal is estimated to provide full-time work for 266 people for five years, generating \$114 million in wages and salaries, and boosting GDP by \$191 million.

4.7. Top 10 Industries by FTEs Employed

To better understand the likely impacts of future development enabled by the proposal, Table 4 reveals the 10 industries likely to experience the greatest employment boosts. Those top 10 industries account for more than three-quarters of all full-time employment generated by the development, with the balance spread across numerous other sectors.

Table 4: Top 10 Industries by Annual FTEs Generated during Development

Industries	Annual FTEs	Shares
Residential building construction	69	26%
Construction services	53	20%
Heavy and civil engineering construction	23	9%
Scientific, architectural, and engineering services	13	5%
Public order, safety, and regulatory services	10	4%
Wood product manufacturing	9	3%
Fabricated metal product manufacturing	8	3%
Legal and accounting services	6	2%
Employment and other administrative services	6	2%
Non-metallic mineral product manufacturing	5	2%
Top 10 Subtotal	202	76%
All Other Industries	64	24%
Total FTE-years (all industries)	266	100%

5. Housing Market Impacts

This section assesses the likely impacts of the proposal on the local housing market.

5.1. Significant Boost in Housing Supply

The proposal will enable the development of approximately 506 new dwellings (i.e., excluding the four existing dwellings). This represents a material uplift in housing capacity within Christchurch City and will help narrow the gap between expected housing demand and supply over time. All else being equal, increasing supply at this scale improves the responsiveness of the housing market to demand growth, which helps moderate the rate of house price growth (relative to the status quo).

This is important given ongoing affordability pressures. Cotality's most recent affordability metrics indicate that median house values in Christchurch City are around 7.4 times median household income, with servicing a standard mortgage typically requiring approximately 44 percent of gross household income.⁶ These ratios remain well above long-term norms, indicating that affordability pressures persist despite recent softening in headline house prices. In this context, additional dwelling supply in well-located areas plays an important role in easing longer-term housing cost pressures.

Evidence from recent greenfield land market analysis highlights the significance of this increase in supply. A recent assessment of the Christchurch greenfield residential land market undertaken by Colliers identified approximately 1,212 household units of remaining medium-term greenfield capacity in Halswell.⁷ Over the period from 2012 to 2024, the suburb experienced an average annual absorption rate of approximately 339 greenfield dwellings.

At this rate of take-up, the existing greenfield supply in Halswell is estimated to be exhausted within approximately 3.0 to 3.6 years, depending on the methodology used.

Against this backdrop, the circa 506 new dwellings enabled by the proposal are equivalent to around 1.5 years of recent greenfield demand in Halswell. The proposal would therefore represent a substantial share of Halswell's remaining short- to medium-term greenfield development pipeline.

5.2. Giving Effect to the NPS-UD

The boost in housing supply provided by the proposal also assists the Council to meet their obligations under the NPS-UD to provide "at least" sufficient housing capacity to meet demand "at all times".

Christchurch City Council's (CCC) October 2025 Housing Capacity Assessment (HCA)⁸ identifies approximately 7,600 dwellings of remaining feasible greenfield capacity across the city. At recent greenfield delivery rates of around 900 dwellings per annum, this equates to roughly eight years of supply at the densities assumed in the HCA. In this context, the remaining greenfield pipeline is finite

⁶ Based on indicators reported in *Cotality – New Zealand Housing Affordability Insights* (latest edition).

⁷ Colliers. (2026). *Christchurch Greenfield Housing Capacity Assessment*. Prepared for John Paterson Estates Limited.

⁸ Available here: <https://www.greaterchristchurch.org.nz/news/hca/hbdca-reports>

and likely to be absorbed within the medium term, particularly if population growth tracks at or above recent projections.

The circa 506 new dwellings enabled by the proposal would represent a material addition to this remaining greenfield capacity. By increasing the stock of development-ready land in south-west Christchurch, the proposal supports the maintenance of sufficient capacity over the medium term and reduces the risk of supply constraints emerging as existing greenfield areas are built out.

The NPS-UD also requires high-growth urban environments to ensure that enabled capacity reflects a range of dwelling types, price points, and locations. Policy 1(a)(i) emphasises the need to support well-functioning urban environments by meeting the diverse housing needs of different households.

Recent CCC Built Environment Reporting⁹ shows that more than 80 percent of housing delivered in Christchurch's greenfield areas over the past decade has comprised standalone dwellings, with no sustained shift toward multi-unit formats. This contrasts with infill locations, where development has been overwhelmingly multi-unit in nature. Enabling additional greenfield capacity in Halswell therefore aligns with observed market delivery patterns and household preferences, particularly for family-oriented standalone housing.

Recent independent analysis of the Christchurch greenfield land market further underscores the importance of maintaining an adequate pipeline of development-ready land. Colliers greenfield capacity assessment estimates that greenfield capacity across Christchurch City will be exhausted within approximately 5.2 to 6.2 years based on historic rates of housing delivery, depending on the assumptions adopted.¹⁰ As discussed in the previous section, this position is even more constrained in Halswell.

In this context, the additional capacity enabled by the proposal would make a meaningful contribution to extending the effective supply horizon of development-ready land in Christchurch, particularly within the south-west growth corridor where demand for greenfield housing has historically been strong. The proposal enables housing in a location and form consistent with recent delivery patterns, particularly standalone dwellings that continue to dominate greenfield development. By increasing the stock of development-ready land in this market area, the proposal helps reduce the risk of future land supply constraints and supports the NPS-UD requirement that councils provide at least sufficient development capacity at all times.

5.3. Land Market Competition

In addition to directly boosting dwelling capacity, the proposal will also help to foster competition in the local land market. This is important because, as recognised through Objective 2 of the NPS-UD, competition is the cornerstone of economic efficiency. When the land market becomes more competitive, land developers have a greater incentive to bring their product to the market in a more timely and cost-effective manner, thus further helping to keep city housing as affordable as possible.

⁹ Available here: <https://ccc.govt.nz/culture-and-community/statistics-and-facts>

¹⁰ Colliers. (2026). *Christchurch Greenfield Housing Capacity Assessment*. Prepared for John Paterson Estates Limited.

Absent competition, landowners experience “market power”, which enables them to charge more for land and be slower in releasing it to the market. Both outcomes conspire against affordability and reduce the overall efficiency of the housing market.

5.4. Helping Foster Well-Functioning Urban Environments

Master-planned communities like those enabled by the proposal provide a strategic and coordinated approach to urban growth, delivering superior economic and social benefits compared to the alternative (fragmented development). For example, these developments:

- **Achieve economies of scale** – Large-scale development lowers per-unit costs through efficient planning and resource allocation.
- **Optimise infrastructure investment** – Coordinated delivery of roads, utilities, and public services reduces inefficiencies and ensures infrastructure is right-sized and cost-effective.
- **Generate employment** – Provide steady employment for local contractors and tradespeople.

Further, master-planned developments like the proposal create well-connected, vibrant neighbourhoods by:

- **Prioritising walkability and accessibility** – Integrated transport networks encourage active transport, reducing car dependency and promoting healthier lifestyles.
- **Enhancing safety through CPTED principles** – Thoughtful urban design improves visibility, deters crime, and promotes secure public spaces.

Finally, unlike fragmented growth, which often leads to inefficiencies, master-planned communities:

- **Prevent inconsistent urban form** – Coordinated development ensures a seamless integration of infrastructure, housing, and amenities.
- **Avoid land banking** – Large-scale projects encourage timely development, addressing housing and infrastructure needs efficiently.
- **Reduce reliance on external infrastructure** – Self-sufficient communities alleviate pressure on existing networks, supporting sustainable urban expansion.

In short, master-planned communities like those enabled by the proposal not only enhance day-to-day life for residents but also establish a foundation for sustainable, long-term growth that supports a well-functioning urban environment.

5.5. Feasibility and Delivery of Enabled Capacity

Finally, the proposal is being advanced by an experienced residential developer with a demonstrated track record of delivering large-scale, master-planned communities. Developer capability is relevant to housing market outcomes because plan-enabled capacity only translates into effective supply if it is delivered in a timely and coordinated manner.

An experienced developer is better positioned to manage complex staging, infrastructure delivery, and market sequencing, reducing the risk of delayed uptake. This increases confidence that the capacity enabled by the proposal will convert into completed dwellings over time, supporting the NPS-UD objective of providing sufficient housing capacity that is both feasible and responsive to demand.

6. Wider Economic Benefits

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

6.1. Critical Mass and Support for Nearby Centres

The proposal is located less than ten kilometres south-west of the Christchurch City CBD, the commercial heart of the region. As development enabled by the proposal occurs and new residents move into the area,¹¹ it will add permanent population and spending power that helps create and sustain critical mass for nearby centres, including the CBD. This enlarged and stable customer base will support the viability of existing retail, service, and hospitality activities. This, in turn, ultimately benefits the wider community by providing scope for incremental growth over time, contributing to the ongoing vitality of established centres and associated community amenities.

6.2. Spatial Match with Employment Opportunities

Employment growth in Christchurch has become increasingly concentrated in the southern quadrant of the city¹² over the past two decades. This area now accounts for around 35 percent of total city employment and approximately 36 percent of all businesses, representing a material increase in its share over time.

Commercial employment in the southern quadrant increased by more than 11,000 jobs between 2006 and 2025, with its share of citywide commercial employment rising from around 20 percent to nearly 30 percent. Industrial activity shows an even stronger spatial shift, with the southern quadrant now accommodating over 40 percent of Christchurch's industrial employment. Retail employment has followed a similar pattern, supported by population growth and the development of large-format retail and service activities.

These longer-term employment trends are reinforced by more recent development patterns. Over the past decade, more than half of all industrial building consents issued in Christchurch have been located in the southern quadrant, accounting for close to two-thirds of total consented industrial floor area. Much of this activity has been concentrated in and around the Hornby industrial area, which is recognised as the South Island's leading industrial business estate and lies immediately north-west of the subject site.

Taken together, these patterns indicate that the south-western part of Christchurch has become one of the city's primary employment locations. The subject site sits within this growing employment catchment and adjoins established and expanding industrial and commercial areas. As a result, future residents will have access to a wide range of employment opportunities within a short commute, supporting efficient urban form and contributing to a well-functioning urban environment.

¹¹ While these households will already be contributing to spending elsewhere, the proposal is still expected to result in a net increase in local spending. If residents move from outside the area, they expand the local spending pool. If they relocate from within the area, their former homes are likely to be reoccupied, with new residents contributing additional local expenditure.

¹² For the purposes of this assessment, Christchurch City is divided into four broad quadrants, as shown in **Appendix A**, which also identifies the location of the subject site within the southern quadrant.

6.3. Alignment with Government Growth Agenda

The Going for Growth agenda, launched by the New Zealand Government in early 2025, outlines a long-term strategy for lifting regional and national productivity and living standards. It is built around five interrelated pillars: developing talent; building competitive business settings; promoting trade and investment; driving innovation, science and technology; and investing in infrastructure for growth.

The proposal aligns well with several of these priorities:

- **Developing Talent:** Construction of the new residential dwellings and supporting infrastructure enabled by the proposal will generate employment for 266 full-time equivalent workers over the five-year development period, creating opportunities for apprentices, tradespeople, and professionals. This will help sustain and develop the skills base of the local labour force.
- **Building Competitive Business Settings:** By bringing a large supply of new dwellings to market, the proposal will foster greater competition in the land and housing markets, directly supporting the efficiency objectives of the NPS-UD.
- **Promoting Trade and Investment:** The scale of the development represents a major private sector investment of nearly \$320 million, which signals confidence in the local economy and strengthens its attractiveness as a destination for further domestic and international investment.
- **Driving Innovation, Science and Technology:** The master-planned design of the development incorporates integrated transport networks, reserves, and sustainable infrastructure solutions. These reflect best-practice urban design and infrastructure planning, providing a model for future growth in the region and beyond.
- **Investing in Infrastructure for Growth:** The proposal includes significant investment in essential infrastructure such as stormwater ponds, wetlands, a pump station, and supporting roads, cycling, and pedestrian networks. These upgrades will not only service the development itself but also strengthen the resilience and efficiency of the wider urban system.

In these ways, the proposal is strongly aligned with the Government's Going for Growth agenda, advancing regional and national objectives for productivity, competitiveness, and sustainable urban expansion.

6.4. Putting Land to Higher and Better Uses

The proposal will result in the loss of the site's existing rural lifestyle activities. However, compared with those low-intensity uses, development enabled by the proposal allows the subject land to be used more intensively. This shift toward higher-density residential activity represents a more efficient allocation of land and is consistent with the concept of highest and best use in an urban context, which is a precondition for economic efficiency to hold in the underlying land market.

6.5. Investment Signal Effects

Finally, development enabled by the proposal will provide a signal of confidence in the region's medium- to long-term economic outlook. Large, capital-intensive developments typically require detailed due diligence, long investment horizons, and confidence in future population growth, labour availability, and infrastructure provision. As a result, their delivery can act as a market signal to other investors that underlying economic fundamentals are sufficiently robust to support further activity.

Such signalling effects are particularly relevant in sectors characterised by high upfront costs and long payback periods, where investment decisions are sensitive to perceptions of risk and uncertainty. The establishment of a significant new development can help reduce perceived market risk by demonstrating that funding, consenting, and delivery barriers can be successfully navigated in the region.

Over time, this can help spur on, accelerate, or bring forward complementary investment, including associated residential, commercial, or service-based development, as well as supporting infrastructure. While these effects are inherently indirect and not readily quantifiable, they are widely recognised in economic development literature as a secondary benefit of major private investment and contribute to broader regional economic momentum.¹³

¹³ See, for example, Porter, M.E. (2000) *Location, Competition, and Economic Development: Local Clusters in a Global Economy*, and Turok, I. (1992) *Property-led urban regeneration: panacea or palliative?*, which discuss how large or “anchor” investments can reduce perceived risk, alter market perceptions, and catalyse follow-on private investment through “demonstration effects”.

7. Potential Economic Costs

This section briefly identifies potential economic costs of the proposal.

7.1. Foregone Rural Production

The main potential economic cost of the proposal is forfeiting the subject land for alternative uses, such as rural production. To provide a representative range of this cost, we quantified the direct use values for the three land uses below:¹⁴

1. Hay and baleage;
2. Sheep and beef farming; and
3. Dairy farming.

National-level metrics of production per hectare for the first activity were extracted from a recent report by Beef + Lamb NZ (Cost of Feed),¹⁵ while region-specific data for the others were sourced from Beef + Lamb NZ,¹⁶ and the NZ DairyBase,¹⁷ respectively. The table below shows the resulting estimates of rural production per hectare.

Table 5: Production Metrics per Hectare (for Subject Site)

Productive Use	Output \$	GDP \$	FTES	Wages \$
Hay and Baleage	3,400	780	0.004	250
Sheep and Beef	3,795	870	0.005	270
Dairy ¹⁸	14,505	3,390	0.018	1,160
Average	7,235	1,700	0.009	560

For modelling purposes, we base our analysis on the site's total land area of 37.7296 hectares. We conservatively assume that the site could be farmed in its entirety.¹⁹ Table 6 below shows the estimated activity foregone if this land were used exclusively for rural production.

Table 6: Estimated Annual Rural Production for Subject Site (37.7296 hectares)

Productive Use	Output \$	GDP \$	FTES	Wages \$
Hay and Baleage	128,300	29,400	0.16	9,400
Sheep and Beef	143,200	32,800	0.17	10,200
Dairy	547,300	127,900	0.66	43,800
Average	273,000	63,000	0.33	21,000

¹⁴ While the site is currently used for rural lifestyle activities, we model dairy farming, hay and baleage, and sheep and beef farming, as these represent three of the most common and plausible alternative uses for rural land in the area.

¹⁵ Available here: <https://beeflambnz.com/sites/default/files/factsheets/pdfs/fact-sheet-260-Cost%20of%20Feed.pdf>

¹⁶ Available here: <https://beeflambnz.com/industry-data/farm-data-and-industry-production/sheep-beef-farm-survey>

¹⁷ Available here: <https://connect.dairynz.co.nz/EconTracker/>

¹⁸ The assumed dairy output of \$14,505 per hectare is based on the latest 2026 farmgate price of \$9.50 (\$8.50 - \$9.50 range high) per kg of milk solids. Lower prices will lead to lower output per hectare, and vice versa.

¹⁹ In practice, not all of the land would be available or suitable for productive use due to physical, access, and infrastructure constraints, as well as non-productive areas such as setbacks, waterways, and shelter belts. The estimate therefore represents an upper-bound scenario for potential rural production activity.

Under the highest value scenario assessed, the subject site could theoretically sustain the following annual economic activity if used solely for rural production:

- Output/revenue of \$547,300;
- GDP of \$127,900;
- Employment for 0.66 FTEs; and
- Wages and salaries of \$43,800.

These values are negligible, not even providing full time employment for one person. By comparison, development enabled by the proposal would provide a substantial boost in employment during development of approximately 266 people for five years.

7.2. Infrastructure Servicing Cost and Risk

Finally, we have considered whether the proposal might impose unwarranted costs on the wider community via the infrastructure required to service it. In our view, this risk is minimal because:

- We would expect the applicant to fund and deliver all infrastructure works within the site boundary, plus any necessary infrastructure connections.
- Any off-site upgrades that may be required to accommodate the development will be recoverable through development contributions, in line with CCC's policy.

Accordingly, any infrastructure-related costs or risks to council, and by extension, the wider community, are expected to be minimal.

8. Project Acceleration

This section describes how the FTAA process would accelerate delivery of the proposal.

8.1. Timing of Economic Benefits

The proposal will progress considerably faster through the FTAA than would otherwise be the case. The FTAA establishes a streamlined approvals pathway with tighter statutory timeframes, coordinated decision-making, and, importantly, no merits-based appeals on decisions made by Fast-track Panels.

In contrast, obtaining consent via the standard Resource Management Act pathways would likely involve a multi-stage and potentially appeal-prone process, resulting in substantial delays. Similarly large proposals often experience extended processing timeframes due to public notification, hearings, and Environment Court appeals.

The FTAA (as strengthened by the Fast-track Approvals Amendment Act 2025) is specifically designed to accelerate nationally and regionally significant projects, reduce consenting uncertainty, and bring forward the timing of economic activity. For the proposal, this means enabling the project to commence much sooner than under a conventional consenting pathway, thereby bringing forward the one-off construction-related stimulus and any wider economic benefits outlined in this report.

9. Conclusion and Checklist

9.1. Conclusion

The proposal will enable a substantial increase in housing supply within Christchurch City, responding directly to identified housing demand and ongoing affordability pressures. By delivering approximately 506 new dwellings in a well-located greenfield area, the proposal makes a regionally significant contribution to residential development capacity and supports a more responsive and competitive housing market.

The proposal also contributes to a well-functioning urban environment, consistent with the NPS-UD. It enables coordinated, master-planned development, supports efficient use of land, and aligns new housing with established patterns of greenfield delivery and household preferences. Its location within Christchurch's southern quadrant provides future residents with access to a wide range of employment opportunities within a short commute, supporting efficient urban form.

In addition, development enabled by the proposal will generate significant economic benefits in the region. Over the development period, it will support substantial employment, GDP, and wage impacts across construction and associated sectors.

Referral under the FTAA ensures these benefits are realised sooner than traditional development pathways would otherwise normally 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 7: Assessment Against Section 22(2)(a) Criteria of FTAA

Ref	Criterion	Signpost	Estimated Significance of Economic Benefits
(i)	Identified as a priority project in government plans or strategies	Not assessed	n/a
(ii)	Delivers new or supports existing regionally/nationally significant infrastructure	Not assessed	n/a
(iii)	Increases housing supply, addresses housing needs, or contributes to a well-functioning urban environment	Sections 5 & 6	■■■■■
(iv)	Delivers significant economic benefits	Section 4	■■■■■
(v)	Supports primary industries, including aquaculture	Not assessed	n/a
(vi)	Supports development of natural resources, including minerals and petroleum	Not assessed	n/a
(vii)	Supports climate change mitigation (e.g., reducing greenhouse gas emissions)	Not assessed	n/a
(viii)	Supports climate change adaptation, reduces risk from natural hazards	Not assessed	n/a
(ix)	Addresses significant environmental issues	Not assessed	n/a
(x)	Consistent with local/regional planning documents and spatial strategies	Section 6.3	■■■■□

Legend:

■■■■■ = Strong

■■■■□ = Moderate

■■■□□ = Limited

■■□□□ = Minor

■□□□□ = Very minor

APPENDIX A: Quadrant Study Areas

For the purposes of the analysis in section 6.2, Christchurch City (excluding Banks Peninsula) is divided into four quadrants, consistent with the approach adopted in the 2018 Greater Christchurch Housing and Business Capacity Assessment. These quadrants are used to assess the relative distribution of employment, businesses, and building activity across the city. The subject site is located within the southern quadrant, specifically in the south-west, as shown in Figure 4 below.

Figure 4: Christchurch City Quadrants (excluding Banks Peninsula) and Location of Subject Site

