Beachlands South Fast-track

Auckland Council Specialist Memo

Annexure Z:

Economics

Shane Martin

09 October 2026

1.0 APPLICATION DESCRIPTION

Application and property details

Fast-Track project name:	Beachlands South
Fast-Track application number:	EPA reference: FTAA-2606-1256 Council reference: BUN60467962

2.0 Technical Specialist Memo - Economics

To:	Brooke Dales – Lead Planner Adonica Giborees – Principal Project Lead
From:	Shane Martin – Consulting Economist
Qualifications & Relevant Experience:	I hold the qualification(s) of: PhD in Economics, MA in Economics, and BA in Economics and Mathematics, and have 19 years of experience as a professional Economist. I have prepared expert evidence and technical assessments for resource consent applications, plan changes, and fast-track applications, and have appeared as an expert witness before consent authorities and the Environment Court on multiple occasions.
Preparation in Accordance with the Code of Conduct:	I confirm that I have read the Environment Court Practice Note 2023 – Code of Conduct for Expert Witnesses (**Code**) and have complied with it in the preparation of this memorandum. I also agree to follow the Code when participating in any subsequent processes, such as expert conferencing, directed by the Panel. I confirm that the opinions I have expressed are within my area of expertise and are my own, except where I have stated that I am relying on the work or evidence of others, which I have specified.
Signature:	
Date:	9 October 2026

3.0 Executive Summary / Principal Issues

The evidence reviewed consisted of a document, "Beachlands South Project Fast Track Application Economic Impact Assessment" prepared by Property Economics for Beachlands South LP and dated June 2026. The primary authors of the report were Phil Osborne and Tim Heath.

In general, this report is an easy-to-follow economic impact assessment (EIA) which have been accepted as adequate evidence under Section 32(2) of the Resource Management Act 1991 (RMA). It is clear, however, that the Fast-track Approvals Act 2024 (FTAA) requires more than this to determine whether a proposed project is likely to be beneficial. In my professional judgment, this means that the evidence presented – while seemingly well done – is inadequate under the FTAA.

4.0 Documents Reviewed

The following documents have been reviewed in preparing this memorandum:

- "Beachlands South Project Fast Track Application Economic Impact Assessment" prepared by Property Economics for Beachlands South LP and dated June 2026.
- Personal email from Tim Heath (cc Vijay Lala, Nick Roberts, Phil Osborne) with a breakdown of GDP (direct versus indirect and induced) to clarify Table 1 of the report.

5.0 Specialist Assessment

In my professional judgment, the EIA prepared for the Beachland Couth Project Fast Track Application is a perfectly good EIA. The EIA shows that the project is expected to produce an impact of $1.93 billion over 15 years (with $644 million being a direct, more defensible, measure of impact) and employ the equivalent of approximately 7,900 full-time equivalent (FTE) years. These are impacts but not necessarily benefits.

In addition to these impacts, the EIA identifies, but does not quantify, some benefits that may be realised. These are:

- Increased housing supply
- Increased choice of housing location
- Potential lower housing prices
- Supports competitive land markets
- Improved access to existing and planned infrastructure
- Improved employment travel efficiency
- Potential impetus for greater local and regional growth

While some of these may or may not happen, they are all reasonable conjectures about the types of benefits that could be realised.

However, that does not mean that the EIA has satisfied the criteria outlined by the FTAA.

For example (underlined emphasis is mine),

Section 3 indicates that the "purpose of this Act is to facilitate the delivery of infrastructure and development projects with significant regional or national benefits".

Section 22(2)(a)(iv), under the criteria for assessing referral application indicates that the Minister may consider whether the project will deliver "significant economic benefits".

Similarly, Section 22(6)(a) states that the "Minister may compare the activity involved in the project… taking into account the economic benefits and strategic importance of the proposed project".

Finally, Section 43(1)(b)(i) states that "a substantive application must… explain how the project to which the application relates is consistent with the purpose of this Act".

Given that the Act is repeatedly clear that it is concerned with benefits rather than impacts, I judge an EIA to be inadequate to answer the question of how much benefit the project can be anticipated to deliver. Neither GDP impacts nor jobs are adequate to assess benefits for several reasons. The largest among these is that an EIA (either explicitly or implicitly) assumes that all this activity is *additional* activity to the economy. That is, if this project was not built, none of this activity would take place elsewhere. Given that the applicant is in the business of creating residential development, it is unlikely that their development pipeline would lie fallow in the absence of this project. By that rationale, the EIA numbers overstate the impact of the development, but it is unclear how much this is the case.

Even under the RMA where EIAs have been considered to be adequate, it is clear that this is not necessarily the intention. Guidance[1] created by the Ministry for the Environment, now part of the Ministry for Cities, Environment, Regions and Transport (MCERT) on the impacts of the Resource Management Amendment Act 2013 indicates that the requirements encourage "quantification of costs and benefits, emphasise the need to assess economic costs and benefits, and generally require a more robust, more clearly articulated analysis…". Further, the guidance has the following key message: "All costs and benefits of a proposal should be identified and assessed so decision-makers have a sound understanding of the impact a proposal will have on the community, the economy, and the environment." EIAs fall short on these criteria.

Further, I find the following guidance to be especially important:

> *"While higher levels of economic output and employment are generally considered beneficial for the community, an increase in GDP or employment cannot be automatically considered a benefit. This is because economic activity includes both benefits and costs – additional activity incurs additional resource inputs, employment includes the time and energy input of the person employed. The shares of economic activity and employment that can be considered a benefit are difficult to measure, and generally double-count costs or benefits that have already been considered and would in any case vary from situation to situation.*

[1] https://environment.govt.nz/assets/Publications/Files/guide-to-section-32-of-resource-manangemnt-amendment-act-1991.pdf

Therefore, economic growth and employment measured as gross indicators – commonly GDP and persons employed – need to be treated very carefully alongside other indicators of costs and benefits…"

All of this is to say that merely stating that a project will involve a lot of spending on construction and have a large number of workers is not enough to show that it is beneficial. If this were the case, all large projects would be considered beneficial. A more nuanced take on benefits is required – not only to satisfy the requirements of the FTAA but to properly assess benefits within an economic framework.

6.0 Section 67 Information Gap

At the time of writing this Memo I have identified the following information gaps:

- The reported benefits of this project are entirely based on the scale of the development proposed
    - The argument made is essentially that construction activity creates jobs and spending which is good for the economy
    - Most of the economic reports submitted under the FTAA, which are similar to those submitted under standard RMA processes, take the view that economic activity/effects/impacts are economic benefits
        - ***Economic impacts are not equivalent to economic benefits***
        - While the FTAA does not require a full benefit-cost analysis, it specifically uses the words "economic benefits" which is different than the RMA which uses the words "economic… effects". An increase in GDP or employment from construction (economic activity) is an economic effect (or impact) but not necessarily an "economic benefit". If we assume that the legislation uses specific words with intention, then measuring economic activity, effects, or impacts, as under the RMA, is not sufficient under the FTAA.
    - This report is an Economic Impact Assessment (EIA) which quantifies economic impacts and activity but does not measure economic benefit except as a matter of more economic activity more economic benefit.

Why is this Information Essential?

Without a measure of economic benefits (rather than impacts), it will be difficult for the panel to judge whether the project has economic benefits.

Information gap	Nature of deficiency	Decision-making impact	Risk / uncertainty created
Measure of economic benefits	Economic impacts are not equivalent to economic benefits	The panel will be unable to assess if the project is beneficial as economic benefits have not been enumerated or identified.	Economic benefits will be either improperly considered (e.g., impacts being conflated with benefits) or not considered at all

7.0 Recommendation

Based on the above assessment of the EIA provided and the clear intentions of the FTAA in terms of what is required, I cannot recommend that this application be approved. It is entirely possible that the project could be beneficial, but the analysis has not shown this. The panel has not been given adequate information to determine if the proposal is likely to have overall benefits.