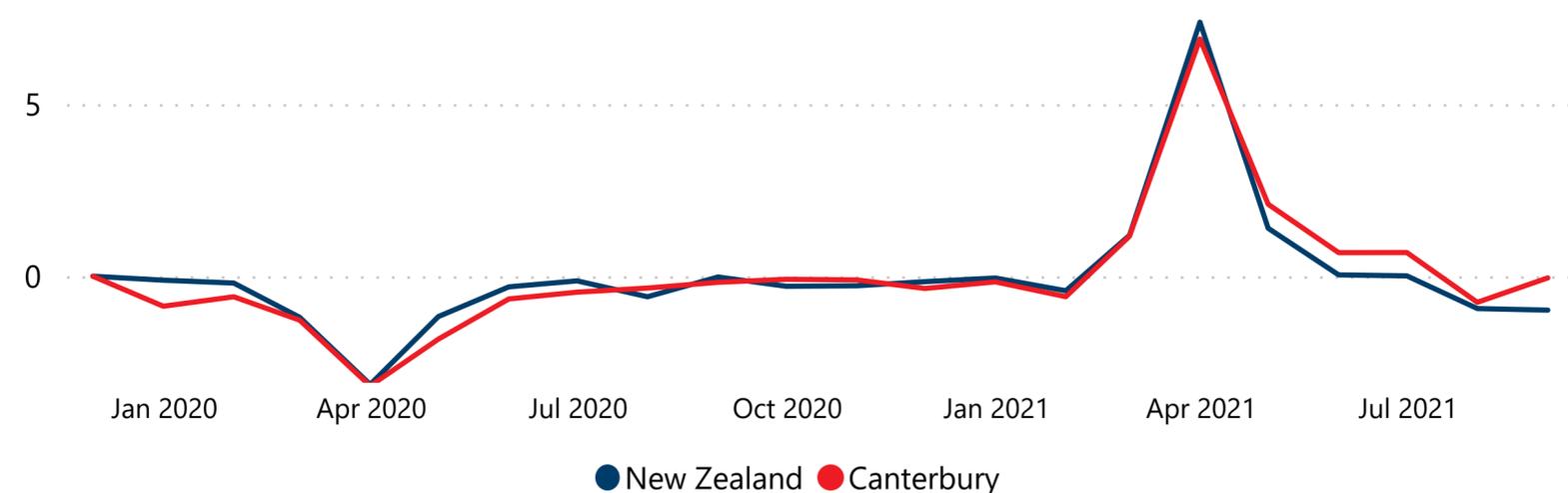


## COVID-19 MONITOR: CANTERBURY ECONOMIC ACTIVITY INDEX: SEPTEMBER 2021

### Summary:

- Economic activity in Canterbury during September 2021 was relatively unchanged compared to September 2020.
- In September 2021, the Canterbury Economic Activity Index (CEAI) recorded regional economic activity at 0.0, while the national figure was -1.0. This means that New Zealand as a whole experienced a -1.0 percent decline in economic activity compared to the same month last year, while economic activity in Canterbury was relatively unchanged.
- In the week ending 15 October 2021, the number of Jobseeker support recipients in Canterbury was 32.5 percent higher than the number of recipients registered in the first week of January 2020 (17,559 recipients vs. 13,256 recipients).
- The total number of building consents (residential and non-residential) issued in Christchurch in September 2021 was 113 percent above that of September 2020. During the same period consent numbers across Canterbury and New Zealand increased by 64 percent and 22 percent, respectively. For the year ending September 2021, total consent issuance was up 30 percent in Christchurch, 27 percent in Canterbury and 23 percent across New Zealand (compared to the year ending September 2020).
- Retail spending in Canterbury reached approximately \$664 million during September 2021, a -3.3 percent decline compared to September 2020.

Figure 1. Economic Activity Index – New Zealand and Canterbury, January 2020 – September 2021 (in %)



Source: ChristchurchNZ

### In Detail:

In September 2021, the Canterbury Economic Activity Index (CEAI) was 0.0, while the national figure was -1.0. This means that weighted economic activity in Canterbury during September 2021 was relatively unchanged compared to the same month in 2020, while over the same period, economic activity across New Zealand was down -1.0 percent. The CEAI for Canterbury was up 0.8 percentage points compared to the previous month of August 2021, while the national figure was down 0.1 percentage points from the previous month.

During September 2021, the Performance of Manufacturing Index (PMI) for Canterbury was 60.1, a decrease from July and an increase on August (63 in July and 42.9 in August). The PMI for New Zealand (unadjusted) was 52.9, also a decrease from July and an increase on August (59.5 in July and 38.9 in August). The PMI's for both Canterbury and New Zealand reflect a bounce back to an expansive manufacturing sector following a contraction in the previous month (mainly due to the national lockdown), with Canterbury performing more strongly than New Zealand as a whole.

Please note that the components of this index do not sufficiently account for the subdued conditions in tourism-related activities.

*\*The Canterbury Economic Activity Index is a regional version of The Treasury's New Zealand Economic Activity Indicator that uses a similar set of indicators that are available at the regional level.*

### Activity Index Components:

Canterbury				
Indicators	m/m	Month	y/y	Year ended
Retail spend	-3.3%	664,015,094	7.3%	8,500,981,808
PMI	5.3%	60	18.5%	59
Jobs online	51.6%	249	53.1%	202
Heavy traffic flows	9.7%			
Exports	12.4%	719,879,396	-0.6%	10,031,832,732

New Zealand				
Indicators	m/m	Month	y/y	Year ended
Retail spend	-17.4%	4,366,383,814.0	6.0%	65,696,411,589.0
PMI	-4.2%	52.9	14.2%	55.1
Jobs online	34.9%	179.9	48.5%	166.7
Heavy traffic flows	-24.0%			
Exports	13.3%	4,795,269,148.0	-0.5%	64,477,375,371.0

*\*Note: Jobs online is indexed to May 2007. A performance manufacturing index (PMI) value of above 50 indicates expansion and a value below 50 indicates contraction.*

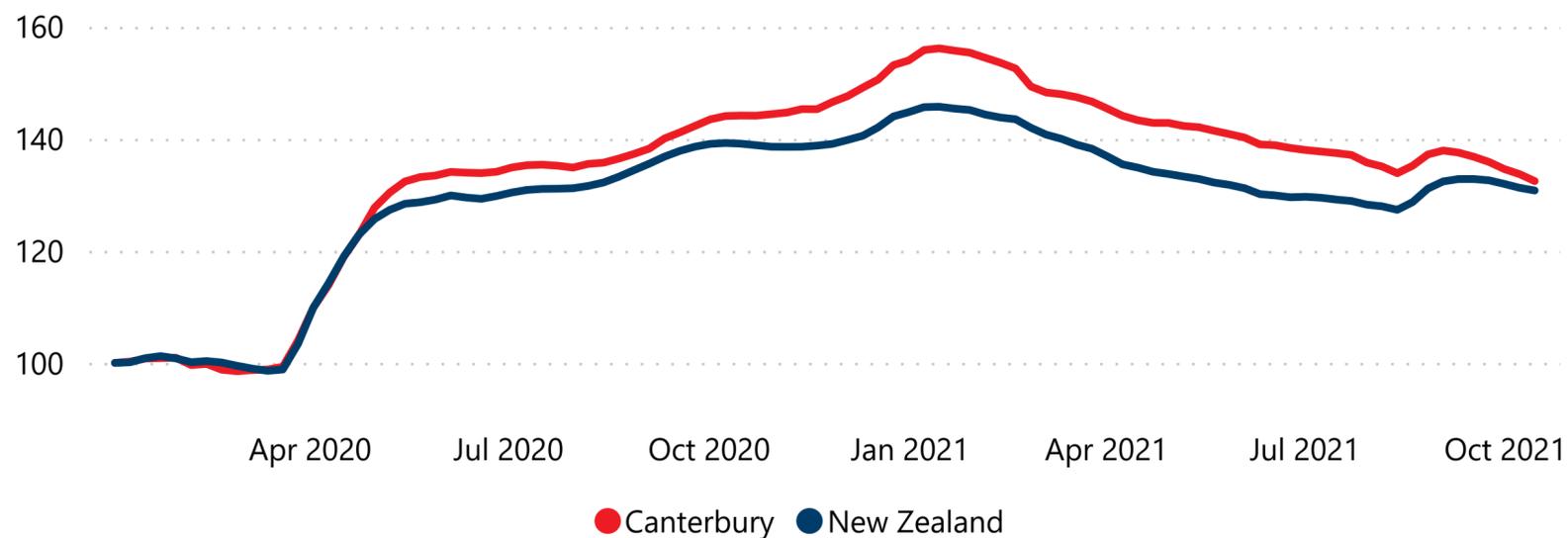
### Job Seeker Support Recipients:

In the week ending 15 October 2021, the number of Jobseeker support recipients in Canterbury was 32.5 percent higher than the number of recipients registered in the first week of January 2020 (17,559 recipients vs. 13,256 recipients). During the same period, the New Zealand average was 30.8 percent higher.

The number of people receiving Jobseeker support payments has continued to decline since the week ending the 3rd of September 2021. This follows the period between mid-August and early September when the number of Jobseeker support recipients was trending upward for three weeks, corresponding with the August lockdown.

During the week ending 15 October 2021, the percentage of the estimated working-age population receiving Jobseeker support in Canterbury was 4.7 percent, down from 5.3 percent during the same week last year. This was also below that of both the Auckland and Wellington regions (5.8 percent and 5.2 percent, respectively).

Figure 2. Jobseeker Support Recipients for the weeks ending on Friday, January 2020 – October 2021 (indexed to the first week of January 2020)



Percentage change in number of Jobseeker support recipients between week of 15 October 2021 and the first week of January 2020.

Auckland Metro	Bay of Plenty	Canterbury	Central	East Coast	Nelson	New Zealand	Northland	Southern	Taranaki	Waikato	Wellington
44.1%	29.1%	32.5%	10.6%	23.6%	30.9%	30.8%	24.6%	25.8%	16.5%	28.2%	20.9%

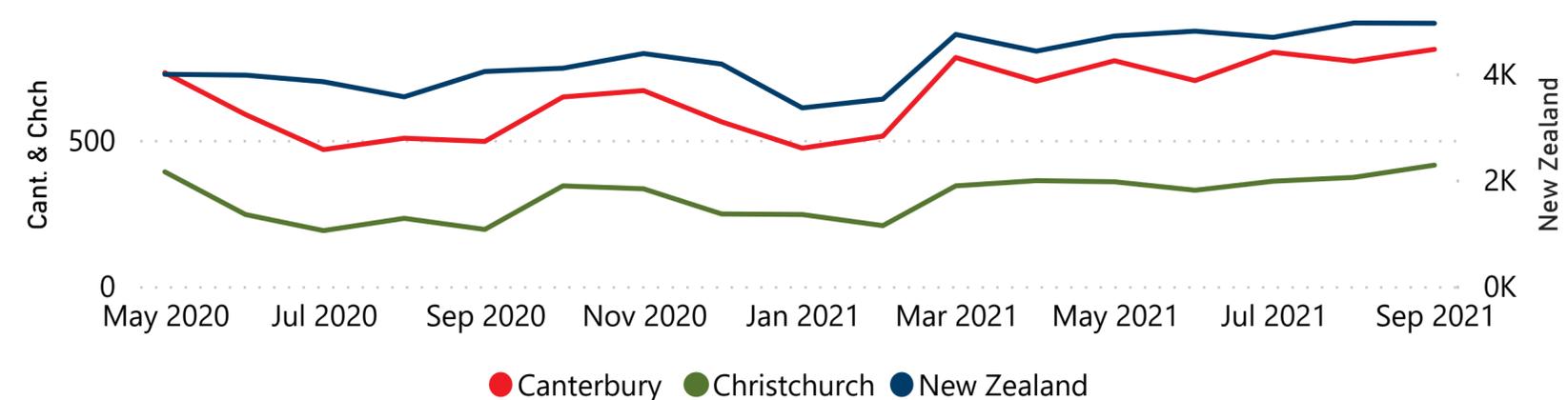
Source: MSD, ChristchurchNZ

### Building Consents:

Building consent issuance remained strong in September 2021, despite New Zealand spending the first week of the month at COVID-19 Response Alert Level 3. Nationally, a total of 47,331 consents for residential buildings were issued in the year ending September 2021, an increase of 25.4 percent from the previous 12-month period. This was a new annual record. This increase continues to be driven by low interest rates, significant house price growth, and an upswing in the number of consents for townhouses, flats, and units. Around 64 percent of consents for new residential buildings in Christchurch in September 2021 were for buildings of this type.

The total number of building consents (residential and non-residential) issued in Christchurch in September 2021 was 113.4 percent above that of September 2020. During the same period consent numbers across Canterbury and New Zealand increased by 63.6 percent and 22.4 percent, respectively. For the year ending September 2021, total consent issuance was up 30.3 percent in Christchurch, 27.1 percent in Canterbury and 22.8 percent across New Zealand (compared to the previous 12 month period).

Figure 3. Total Building Consents



Period	CHCH Residential	CHCH Non-Residential	CHCH Total	Canterbury Residential	Canterbury Non-Residential	Canterbury Total	NZ Residential	NZ Non-Residential	NZ Total
Sept 2021/ Aug 2021	10.6%	33.3%	11.3%	5.4%	4.4%	5.3%	-0.2%	0.4%	-0.1%
Sept 2021/ Sept 2020	117.5%	45.5%	113.4%	69.1%	22.4%	63.6%	24.4%	6.5%	22.4%
YE Sept 2021/ YE Sept 2020	31.2%	15.2%	30.3%	31.3%	-1.8%	27.1%	25.4%	2.2%	22.8%
Quarterly change 2021/2020	90.3%	20.5%	85.9%	70.4%	11.1%	62.1%	29.9%	7.4%	27.3%

Source: Statistics New Zealand, ChristchurchNZ

**Retail Sales:**

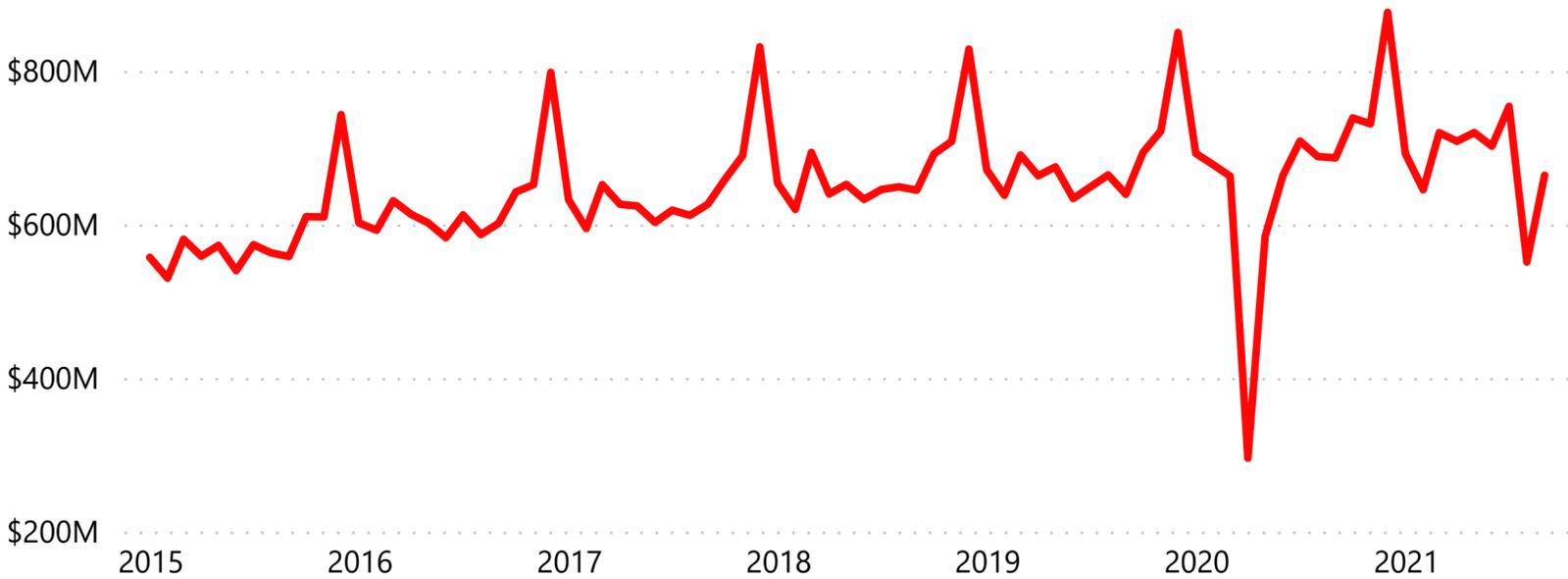
Retail spending in Canterbury reached approximately \$664 million during September 2021.

Canterbury registered a -3.3 percent decline in spending during September 2021 compared to September 2020. This is unsurprising given that the first week of September 2021 was spent in COVID-19 Response Alert Level 3.

Negative spending growth took place across all store types except for fuel and automotive, and groceries and liquor when comparing spending in September 2021 to September 2020. Spending on fuel and automotive increased by 9 percent during this period, while spending on groceries and liquor increased by 6.1 percent. The largest declines in spending took place in the other consumer spending category (down -31.5 percent) and at cafes, restaurants, bars and takeaways (down -19.5 percent).

Retail spending in Canterbury over the year ended September 2021 reached approximately \$8.5 billion, an increase of 7.3 percent or \$576 million compared to the previous 12-month period.

**Figure 4. Canterbury Total Retail Spending, January 2015 – September 2021**



Percentage Change	Fuel & Automotive	Groceries & liquor	Home & Recreation Retail	Apparel & Personal	Cafes, Restaurants, bars & takeaways	Other Consumer Spending
Month	9.0%	6.1%	-6.9%	-8.8%	-19.5%	-31.5%

Source: Marketview, ChristchurchNZ



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 Please contact:  
 Sophie Jones  
 Economic Analyst  
 Email: [sophie.jones@christchurchnz.com](mailto:sophie.jones@christchurchnz.com)