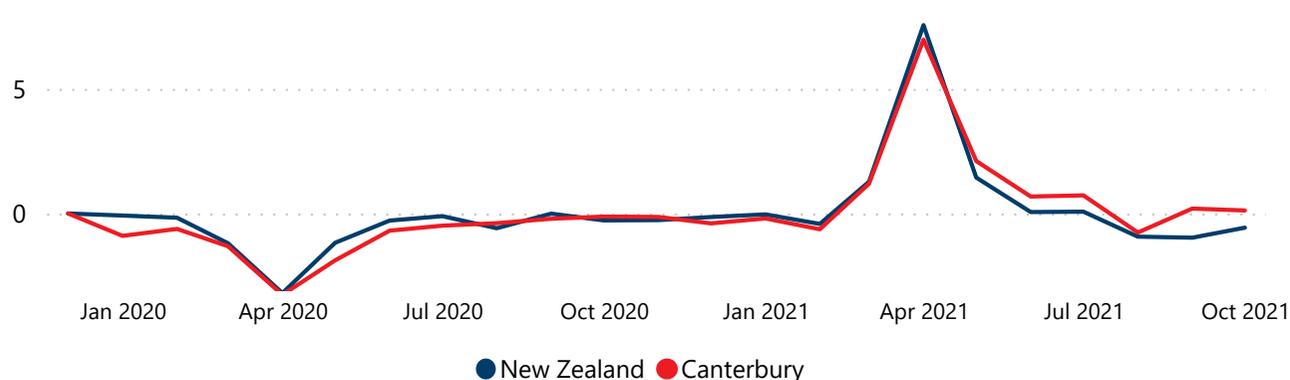


COVID-19 MONITOR: CANTERBURY ECONOMIC ACTIVITY INDEX: OCTOBER 2021

Summary:

- Economic activity in Canterbury during October 2021 was up 0.1 percent compared to the same month last year.
- In October 2021, the Canterbury Economic Activity Index (CEAI) recorded regional economic activity at 0.1, while the national figure was -0.6. This means that New Zealand as a whole experienced a -0.6 percent decline in economic activity compared to the same month last year, while economic activity in Canterbury increased by 0.1 percent.
- In the week ending 12 November 2021, the number of Jobseeker support recipients in Canterbury was 26.1 percent higher than the number of recipients registered in the first week of January 2020 (16,716 recipients vs. 13,256 recipients).
- The total number of building consents (residential and non-residential) issued in Christchurch in October 2021 was the third highest number of monthly consents issued over the last five years, and was 10.5 percent higher than in October 2020. During the same period, consent numbers across Canterbury and New Zealand increased by 16.1 percent and 8.6 percent, respectively. For the year ending October 2021, total consent issuance was up 26.7 percent in Christchurch, 26.8 percent in Canterbury and 23.2 percent across New Zealand (compared to the year ending October 2020).
- Retail spending in Canterbury reached approximately \$789.6 million during October 2021, a 6.9 percent increase compared to October 2020. This spending growth occurred despite Canterbury being in COVID Response Alert Level 2 during October 2021, compared to Level 1 during October 2020.

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



Source: ChristchurchNZ

In Detail:

In October 2021, the Canterbury Economic Activity Index (CEAI) was 0.1, while the national figure was -0.6. This means that weighted economic activity in Canterbury during October 2021 increased by 0.1 percent compared to the same month in 2020, while over the same period economic activity across New Zealand fell by -0.6 percent. Key drivers of growth for Canterbury compared to the same month last year were the number of jobs online, value of exports and heavy traffic flows. The CEAI for Canterbury was down -0.1 percentage points compared to the previous month of September 2021, while the national figure was up 0.4 percentage points from the previous month.

During October 2021, the Performance of Manufacturing Index (PMI) for Canterbury was 58.0, an increase on August and a decrease from September (42.9 in August and 60.1 in September). The PMI for New Zealand (unadjusted) was 59.2, an increase on both August and September (38.9 in August and 52.9 in September). The PMI's for both Canterbury and New Zealand continued the bounce back to an expansive manufacturing sector following a contraction during August due to the national lockdown.

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	6.9%	789,584,637	7.3%	8,551,864,749
PMI	-6.6%	58	15.9%	58
Jobs online	44.5%	238	58.6%	206
Heavy traffic flows	24.6%			
Exports	28.8%	919,093,709	3.1%	10,218,273,016

New Zealand				
Indicators	m/m	Month	y/y	Year ended
Retail spend	-9.5%	5,219,050,018.0	4.6%	65,151,414,896.8
PMI	6.1%	59.2	14.8%	55.4
Jobs online	28.4%	172.4	50.3%	166.1
Heavy traffic flows	-8.2%			
Exports	13.0%	5,663,957,464.0	1.3%	65,133,054,259.0

**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.*

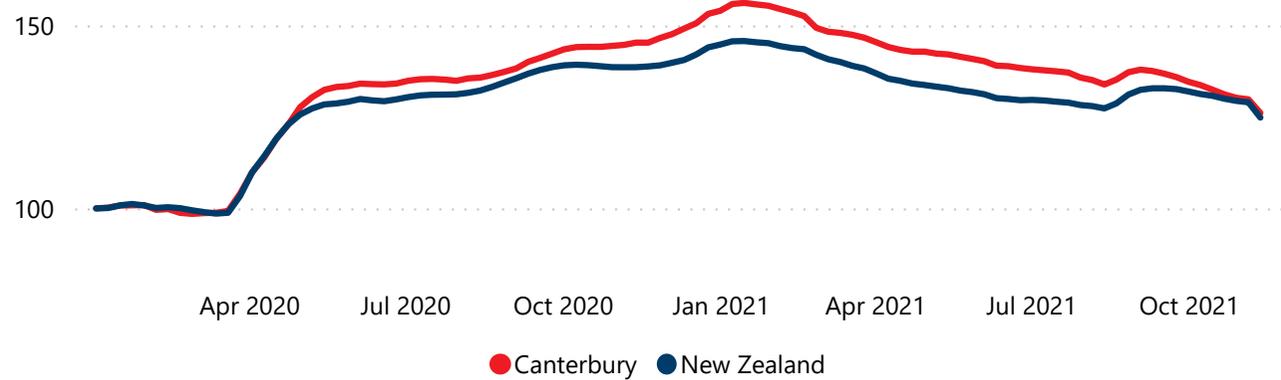
Job Seeker Support Recipients:

In the week ending 12 November, the number of Jobseeker support recipients in Canterbury was 26.1 percent higher than the number of recipients registered in the first week of January 2020 (16,716 recipients vs. 13,256 recipients).

The number of people receiving Jobseeker support payments has continued to decline since the week ending the 3rd of September 2021. This decline accelerated in the most recent week, with a reduction of 492 people in Canterbury receiving Jobseeker support between the 5th and 12th of November. This accounted for 58 percent of the decline in Jobseeker support recipients in Canterbury over the last four weeks.

During the week ending 12 November 2021, the percentage of the estimated working-age population receiving Jobseeker support in Canterbury was 4.5 percent, down from 5.3 percent during the same week last year. This was also below that of both the Auckland and Wellington regions (5.6 percent and 5.0 percent, respectively).

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



Percentage change in number of Jobseeker support recipients between week of 12 November 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
38.7%	22.3%	26.1%	4.8%	15.4%	25.8%	24.8%	19.1%	20.0%	9.8%	21.6%	16.1%

Source: MSD, ChristchurchNZ

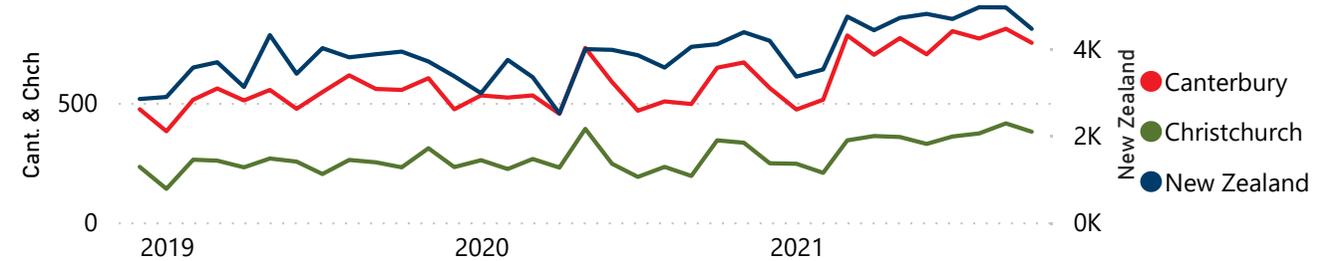
Building Consents:

Building consent issuance slowed a little in October 2021 from the previous month but remained strong when compared to the same period last year. Nationally, a total of 47,715 consents for residential buildings were issued in the year ending October 2021, an increase of 25.6 percent from the previous 12-month period.

This was the eight consecutive month where a new record was set for the annual number of new homes consented. This increase continues to be driven by historically low interest rates, significant growth in house prices, and an upswing in consents for townhouses, flats, and units. Around 59 percent of consents for new residential buildings in Christchurch in October 2021 were for buildings of this type.

The total number of building consents (residential and non-residential) issued in Christchurch in October 2021 was the third highest number of monthly consents issued over the last five years, and was 10.5 percent higher than in October 2020. During the same period, consent numbers across Canterbury and New Zealand increased by 16.1 percent and 8.6 percent, respectively. For the year ending October 2021, total consent issuance was up 26.7 percent in Christchurch, 26.8 percent in Canterbury and 23.2 percent across New Zealand (compared to the year ending October 2020).

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
YE Oct 2021/ YE Oct 2020	27.1%	3.4%	26.7%	31.1%	-2.4%	26.8%	25.6%	3.2%	23.2%
Quarterly change 2021/2020	52.2%	-18.0%	51.5%	47.6%	-3.5%	41.4%	24.9%	4.0%	22.6%
Oct 2021/ Oct 2020	5.0%	-43.5%	10.5%	21.0%	-23.9%	16.1%	10.5%	-7.1%	8.6%
Oct 2021/ Sept 2021	-15.6%	-18.8%	-8.5%	-5.7%	-23.9%	-7.3%	-9.8%	-11.3%	-10.0%

Source: Statistics New Zealand, ChristchurchNZ

Retail Sales:

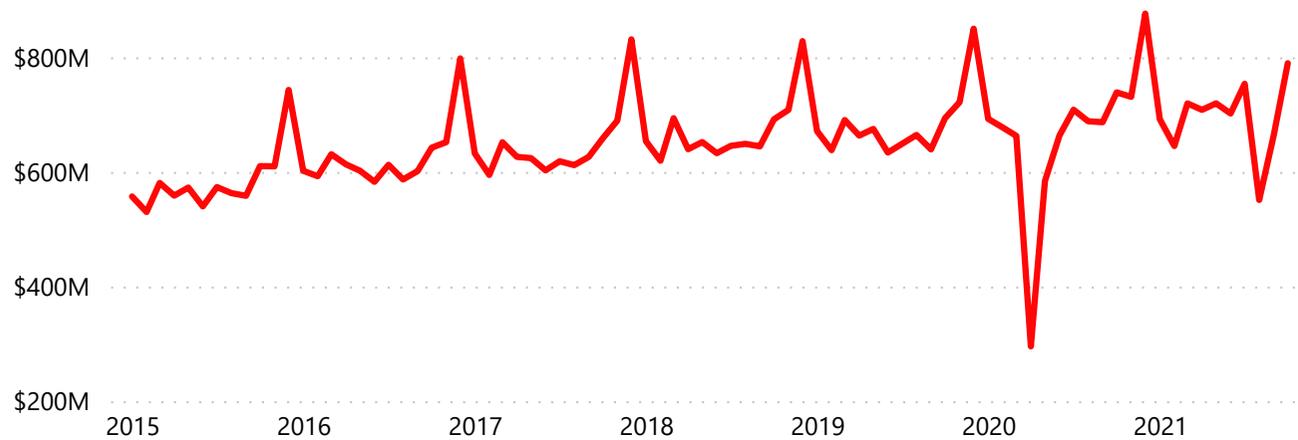
Retail spending in Canterbury reached approximately \$789.6 million during October 2021.

Canterbury registered a 6.9 percent increase in spending during October 2021 compared to October 2020. This spending growth occurred despite Canterbury being in COVID Response Alert Level 2 during October 2021, compared to Level 1 during October 2020.

Positive spending growth took place across four of the six store types, with fuel and automotive experiencing the highest growth in spending compared to October 2020 at 22 percent. This was followed by spending on home and recreation retail, with a growth rate of 8.8 percent. Cafes, restaurants, bars and takeaways, and other consumer spending saw a decrease in spending during October 2021 compared to the same period in 2020, with negative growth rates of -0.3 percent and -8.5 percent, respectively.

Retail spending in Canterbury over the year ended October 2021 reached approximately \$8.6 billion, an increase of 7.3 percent or \$582 million compared to the previous 12-month period.

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



Percentage Change	Fuel & Automotive	Home & Recreation Retail	Groceries & liquor	Apparel & Personal	Cafes, Restaurants, bars & takeaways	Other Consumer Spending
Month	22.0%	8.8%	5.9%	2.4%	-0.3%	-8.5%

Source: Marketview, ChristchurchNZ



Want to know more?

[Explore our economic insights reports here](#)

Queries?

Please contact:
Sophie Jones
Economic Analyst

Email: sophie.jones@christchurchnz.com