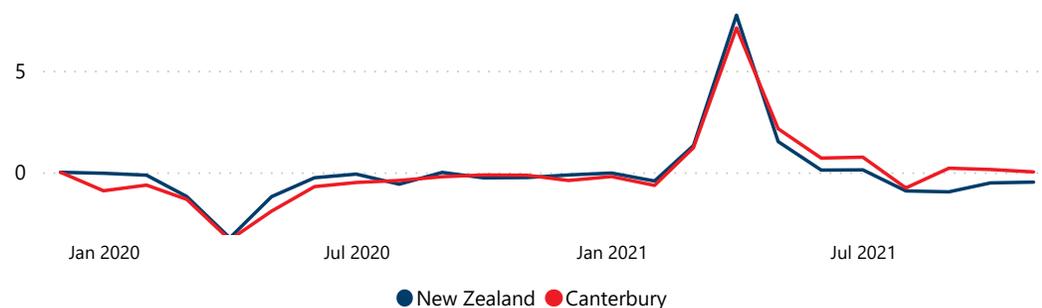


COVID-19 MONITOR: CANTERBURY ECONOMIC ACTIVITY INDEX: NOVEMBER 2021

Summary:

- Economic activity in Canterbury during November 2021 was relatively unchanged compared to the same month last year.
- In November 2021, the Canterbury Economic Activity Index (CEAI) recorded regional economic activity at 0.0, while the national figure was -0.5. This means that New Zealand as a whole experienced a -0.5 percent decline in economic activity compared to the same month last year, while economic activity in Canterbury was relatively unchanged compared to November 2020.
- In the week ending 31 December, the number of Jobseeker support recipients in Canterbury was 32.3 percent higher than the number of recipients registered in the first week of January 2020 (17,538 recipients vs. 13,256 recipients).
- The total number of building consents (residential and non-residential) issued in Christchurch in November 2021 was the third highest number of monthly consents issued over the last five years, and was 14.7 percent higher than in November 2020. During the same period, consent numbers across Canterbury and New Zealand increased by 6.3 percent and 18.6 percent, respectively. Nationally, a total of 4,688 consents for residential buildings were issued during November 2021, the highest number for any month on record.
- Retail spending in Canterbury reached \$785.2 million during November 2021, a 7.4 percent increase compared to November 2020. This spending growth occurred despite Canterbury being in COVID Response Alert Level 2 during November 2021, compared to Level 1 during November 2020.

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



Source: ChristchurchNZ

In Detail:

In November 2021, the Canterbury Economic Activity Index (CEAI) was 0.0, while the national figure was -0.5. This means that New Zealand as a whole experienced a -0.5 percent decline in economic activity compared to the same month last year, while economic activity in Canterbury was relatively unchanged compared to November 2020. Key areas of strength for Canterbury compared to the same month last year were the number of jobs online, retail spending and heavy traffic flows. The CEAI for Canterbury was down -0.1 percentage points compared to the previous month of October 2021, while the national figure was the same as the previous month.

During November 2021, the Performance of Manufacturing Index (PMI) for Canterbury was 56.6, a drop on September and a decrease from October (60.1 in September and 58.0 in October). The PMI for New Zealand (unadjusted) was 58.3, an increase on September and a decrease from October (52.9 in September and 59.2 in October). The PMI's for both Canterbury and New Zealand continued to be in expansionary territory following a sharp 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	7.4%	785,157,259.8	7.9%	8,606,072,465.4
PMI	-14.6%	56.6	11.9%	57.4
Jobs online	53.5%	239.8	64.1%	213.4
Heavy traffic flows	21.8%			
Exports	5.1%	1,029,538,848.0	3.0%	10,306,505,880.0

New Zealand				
Indicators	m/m	Month	y/y	Year ended
Retail spend	2.2%	5,798,010,380.2	4.9%	65,287,200,309.2
PMI	-6.3%	58.3	13.1%	55.1
Jobs online	38.1%	182.2	54.5%	170.6
Heavy traffic flows	0.9%			
Exports	23.2%	6,539,665,650.0	3.7%	66,408,610,346.0

**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.*

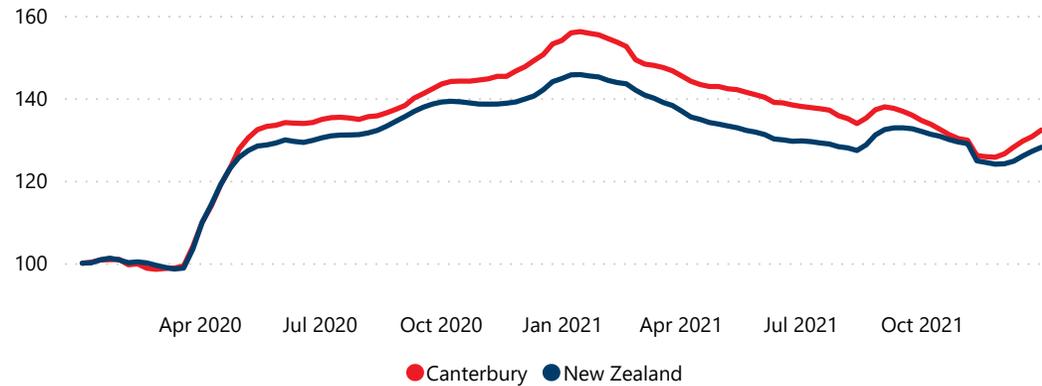
Job Seeker Support Recipients:

In the week ending 31 December, the number of Jobseeker support recipients in Canterbury was 32.3 percent higher than the number of recipients registered in the first week of January 2020 (17,538 recipients vs. 13,256 recipients).

The number of people receiving Jobseeker support payments has continued to lift in both Canterbury and across New Zealand since the week ending the 12th of November 2021. This increase represents a shift away from the previous period, where the number of people receiving Jobseeker support was declining over the months of September and October.

During the week ending 31 December 2021, the percentage of the estimated working-age population receiving Jobseeker support in Canterbury was 4.7 percent, down from 5.6 percent during the same week last year. This was also below that of both the Auckland and Wellington regions (5.7 percent and 5.1 percent, respectively).

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



Percentage change in number of Jobseeker support recipients between week of 31 December 2021 and the first week of January 2020.

Auckland Metro	Bay of Plenty	Canterbury	Central	East Coast	Nelson	NZ	Northland	Southern	Taranaki	Waikato	Wellington
40.6%	28.3%	32.3%	8.0%	16.3%	27.0%	28.1%	22.4%	22.6%	12.1%	24.6%	21.6%

Source: MSD, ChristchurchNZ

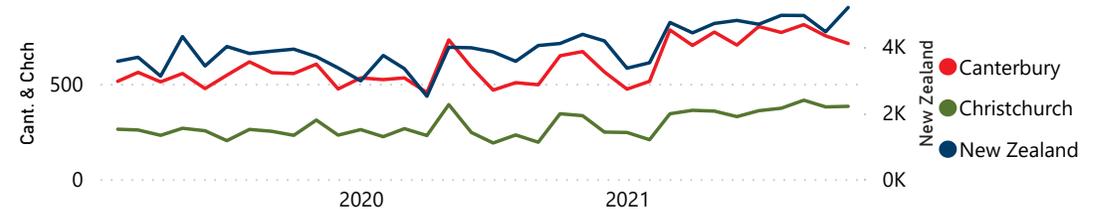
Building Consents:

Building consent issuance in November 2021 increased substantially. A total of 48,522 new homes were consented in the year ended November 2021, up 25.6 percent compared with the year ended November 2020. Nationally, a total of 4,688 consents for residential buildings were issued during November 2021, which is the highest number for any month on record (the previous record was in August 2021, during which 4,490 consents were issued).

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 58 percent of consents for new residential buildings in Christchurch in November 2021 were for buildings of this type.

The total number of building consents (residential and non-residential) issued in Christchurch in November 2021 was the third highest number of monthly consents issued over the last five years, and was 14.7 percent higher than in November 2020. During the same period, consent numbers across Canterbury and New Zealand increased by 6.3 percent and 18.6 percent, respectively. For the year ending November 2021, total consent issuance was up 27.4 percent in Christchurch, 26.2 percent in Canterbury and 23.1 percent across New Zealand (compared to the year ending November 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 Nov 2021/ YE Nov 2020	28.8%	2.9%	27.4%	29.9%	0.0%	26.2%	25.6%	3.4%	23.1%
Nov 2021/ Nov 2020	15.8%	-6.3%	14.7%	4.4%	21.9%	6.3%	20.8%	1.0%	18.6%
Quarterly change 2021/2020	37.9%	-12.0%	35.1%	27.9%	5.9%	25.5%	18.6%	0.1%	16.6%
Nov 2021/ Oct 2021	0.3%	15.4%	0.8%	-10.8%	64.8%	-5.3%	16.0%	22.1%	16.5%

Source: Statistics New Zealand, ChristchurchNZ

Retail Sales:

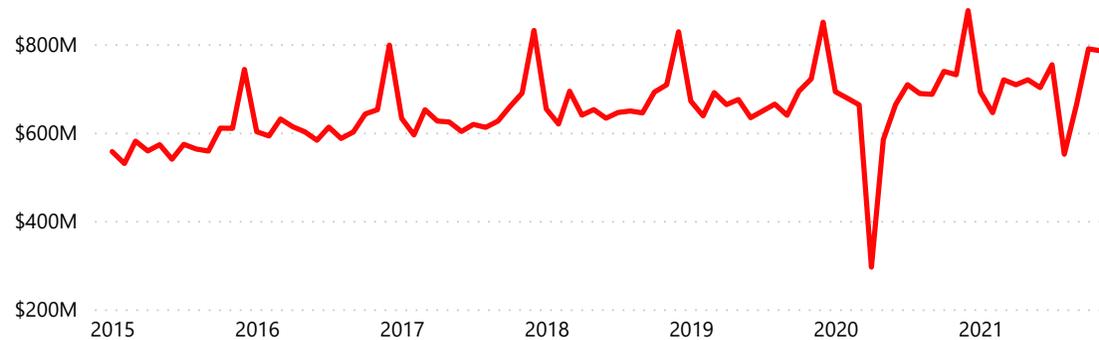
Retail spending in Canterbury reached \$785.2 million during November 2021.

Canterbury registered a 7.4 percent increase in spending during November 2021 compared to November 2020. This spending growth occurred despite Canterbury being in COVID Response Alert Level 2 during November 2021, compared to Level 1 during November 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 November 2020 at 28.9 percent. This was followed by spending on home and recreation retail, with a growth rate of 10.4 percent. Cafes, restaurants, bars and takeaways, and other consumer spending saw a decrease in spending during November 2021 compared to the same period in 2020, with negative growth rates of -1.0 percent and -12.1 percent, respectively.

Retail spending in Canterbury over the year ended November 2021 reached \$8.6 billion, an increase of 7.9 percent or \$626.7 million compared to the previous 12-month period.

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



Percentage Change	Fuel & Automotive	Home & Recreation Retail	Apparel & Personal	Groceries & liquor	Cafes, Restaurants, bars & takeaways	Other Consumer Spending
Nov 2021/ Nov 2020	28.9%	10.4%	8.1%	2.6%	-1.0%	-12.1%

Source: Marketview, ChristchurchNZ



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Queries?

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