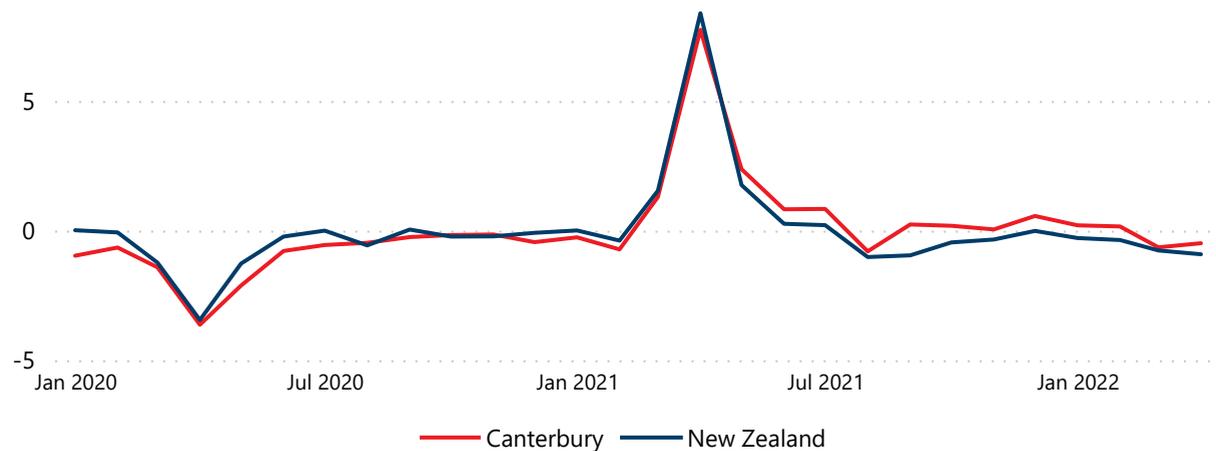


CANTERBURY ECONOMIC ACTIVITY INDEX: April 2022

Summary:

- In April 2022, the Canterbury Economic Activity Index (CEAI) was -0.5, while the national figure was -0.9. This means that economic activity in Canterbury during April 2022 was -0.5 percent lower than during the same month in 2021, while economic activity across New Zealand fell by -0.9 percent over the same period. Of the five indicators, the value of exports from Canterbury ports experienced the strongest growth compared to April 2021 at 22.6 percent.
- In the week ending 20 May 2022, the number of Jobseeker support recipients in Canterbury was 23.9 percent higher than the number of recipients registered in the first week of January 2020 (16,425 recipients vs. 13,256 recipients).
- Building consent issuance during April 2022 dipped from the record-breaking highs of the previous month. 337 new buildings were consented in Christchurch during April 2022, of which 326 were for new homes. 57 percent of these consents for new homes in Christchurch were for townhouses, flats or units.
- Canterbury registered a 4.0 percent or \$28.5 million increase in the value of retail spending during April 2022 compared to April 2021. However, the number of retail transactions in Canterbury fell by -6.5 percent over the same period. This indicates that the observed increase in retail spending in April 2022 was driven by price inflation, rather than an uplift in the volume of spending.

Figure 1. Economic Activity Index – New Zealand and Canterbury, January 2020 – April 2022 (in %)



Source: ChristchurchNZ

In Detail:

In April 2022, the Canterbury Economic Activity Index (CEAI) was -0.5, while the national figure was -0.9. This means that economic activity in Canterbury during April 2022 was -0.5 percent lower than during the same month in 2021, while economic activity across New Zealand fell by -0.9 percent over the same period. Of the five indicators, the value of exports from Canterbury ports experienced the strongest growth compared to April 2021 at 22.6 percent. Growth was negative for one indicator, with Canterbury experiencing a drop in the Performance of Manufacturing Index (PMI) compared to April last year.

During April 2022, the (unadjusted) PMI for Canterbury was 45.5. This was a decline from the previous two months (51.0 in February 2022 and 55.9 in March 2022), as well as a decrease from the same time last year (58.6 in April 2021). The (unadjusted) PMI for New Zealand during April 2022 was 47.3. This was also a decrease from the previous two months (51.1 in February 2022 and 53.6 in March 2022) and a decrease from the same time in 2021 (54.9 in April 2021). The PMI's for Canterbury and New Zealand were both indicative of a contracting manufacturing sector. Supply problems due to COVID were considered the primary cause of this contraction during April 2022.

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				
Indicator	April 2022/ April 2021	April 2022	YE April 2022/ YE April 2021	Year to April 2022
▼ Retail Spend	4.0%	736,821,385.3	3.9%	8,773,580,833.9
PMI	-22.4%	45.5	-1.9%	55.9
Jobs Online	14.4%	218.9	53.7%	237.2
Heavy Traffic Flows	13.3%			
Exports	22.6%	941,532,000.0	23.4%	11,228,945,610.0

New Zealand				
Indicator	April 2022/ April 2021	April 2022	YE April 2022/ YE April 2021	Year to April 2022
▼ Retail Spend	4.3%	5,790,491,241.5	1.2%	66,504,521,573.7
PMI	-13.8%	47.3	-1.1%	53.6
Jobs Online	5.9%	174.7	43.8%	184.7
Heavy Traffic Flows	-18.3%			
Exports	18.7%	6,632,296,000.0	15.1%	70,659,710,655.0

*Note: Jobs online is indexed to May 2007. A PMI value of above 50 indicates expansion and a value below 50 indicates contraction.

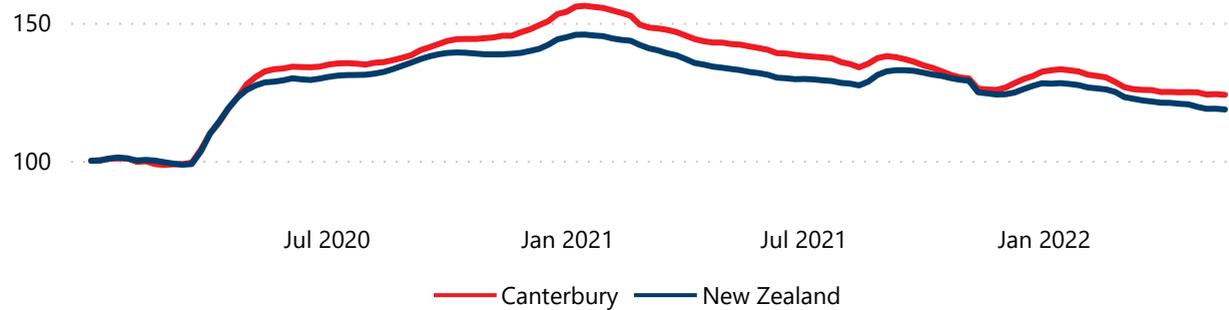
Job Seeker Support Recipients:

In the week ending 20 May 2022, the number of Jobseeker support recipients in Canterbury was 23.9 percent higher than the number of recipients registered in the first week of January 2020 (16,425 recipients vs. 13,256 recipients). This was a larger increase than that of New Zealand as a whole, with the number of Jobseeker recipients across the country increasing by 18.6 percent compared to the same pre-COVID period.

The number of Jobseeker support recipients decreased in the week ending 20 May 2022 compared to the previous week. So far in 2022, the average weekly change in Jobseeker support in Canterbury has reflected a reduction in the number of recipients, with an average of 56 people coming off Jobseeker support each week. The largest weekly decline in recipient numbers took place in the week ending 4 March 2022, with 249 people in Canterbury coming off Jobseeker support.

During the week ending 20 May 2022, the percentage of the estimated working-age population receiving Jobseeker support in Canterbury was 4.4 percent, down from 5.0 percent during the same week last year. This was also below that of both the Auckland and Wellington regions (5.3 percent and 4.7 percent, respectively). The percentage of the estimated working-age population in Canterbury receiving Jobseeker support peaked in the first half of January 2021 at 5.7 percent.

Figure 2. Jobseeker Support Recipients for the weeks ending on Friday, January 2020 – May 2022 (indexed to the first week of January 2020)



Percentage change in the number of Jobseeker support recipients between the week of 20 May 2022 and the first week of January 2020

Auckland Metro	Bay of Plenty	Canterbury	Central	East Coast	Nelson	New Zealand	Northland	Southern	Taranaki	Waikato	Wellington
30.2%	19.4%	23.9%	0.9%	0.1%	18.6%	18.6%	15.9%	10.1%	4.9%	17.3%	11.9%

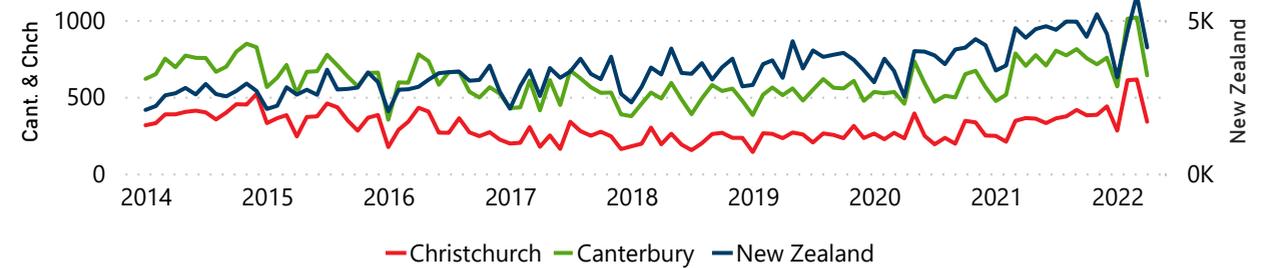
Source: MSD, ChristchurchNZ

Building Consents:

Building consent issuance during April 2022 dipped from the record-breaking highs of the previous month. 337 new buildings were consented in Christchurch during April 2022, of which 326 were for new homes. 57 percent of these consents for new homes in Christchurch were for townhouses, flats or units. While the number of consents for new homes in Christchurch fell -5.2 percent compared to April 2021, the value of new homes consented increased by 15.2 percent over the same period. The number of new homes consented across Canterbury and New Zealand also fell compared to April last year, by rates of -10.5 percent and -6.9 percent, respectively.

A total of 4,104 consents for new buildings were issued across New Zealand during April 2022, of which 3,719 were for new homes. A total of 50,583 new homes were consented across the country over the year to April 2022. This reflected a slight decline from last months annual record, but was an 18.1 percent increase from the year to April 2021. Over the year to April 2022, the Canterbury region had the highest number of new homes consented per 1,000 residents of any New Zealand region, with 13.1 new homes consented per 1000 residents. This was up from 9.7 per 1000 residents in Canterbury in the year to April 2021. The national average over the year to April 2022 was 9.9 new homes consented per 1000 residents.

Figure 3. Total Building Consents



Source: Statistics New Zealand, ChristchurchNZ

Period	CHCH Residential	CHCH Non-Residential	CHCH Total	Canterbury Residential	Canterbury Non-Residential	Canterbury Total	NZ Residential	NZ Non-Residential	NZ Total
YE Apr 2022/ YE Apr 2021	48.8%	-4.0%	46.0%	34.0%	1.6%	30.4%	18.1%	2.2%	16.3%
Quarterly change 2022/ 2021	76.6%	-26.5%	70.8%	37.4%	-2.5%	33.4%	16.5%	-0.9%	14.7%
Apr 2022/ Apr 2021	-5.2%	-35.3%	-6.6%	-10.5%	11.3%	-8.8%	-6.9%	-9.4%	-7.1%
Apr 22/ Mar 2022	-45.2%	-42.1%	-44.9%	-37.6%	-31.4%	-37.1%	-29.9%	-23.2%	-29.3%

Retail Sales:

Retail spending in Canterbury reached \$736.8 million during April 2022.

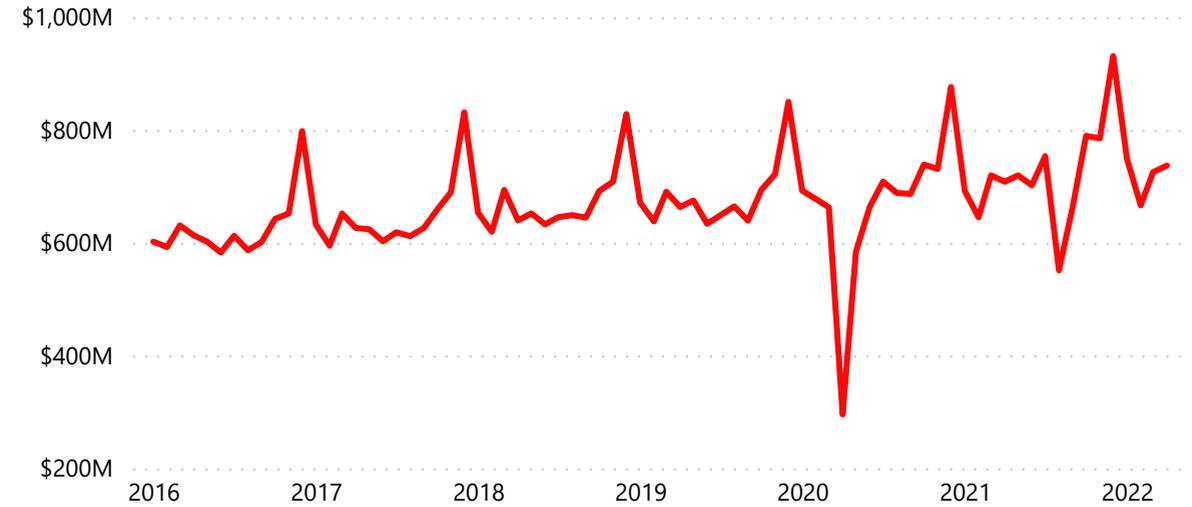
Canterbury registered a 4.0 percent or \$28.5 million increase in the value of retail spending during April 2022 compared to April 2021. However, the number of retail transactions in Canterbury fell by -6.5 percent over the same period. This indicates that the observed increase in retail spending in April 2022 was driven by price inflation, rather than an uplift in the volume of spending.

Positive growth in the value of spending took place across four of the six store types, with fuel and automotive and groceries and liquor experiencing the largest increases in spending compared to the same time last year (up 17.7% and 6.8%, respectively). The value of spending at cafes, restaurants, bars and cafes experienced the largest decline compared to April 2021, falling by -6.9 percent. Meanwhile, the number of transactions fell across almost all store types compared to the same time in 2021. The only store type to experience a lift in the volume of spending was apparel and personal (up 0.8%). Spending at cafes, restaurants, bars and restaurants registered the largest drop in transactions, falling -13.7 percent compared to April 2021.

Retail spending in Canterbury over the year to April 2022 reached approximately \$8.8 billion, an increase of 3.9 percent or \$331.5 million compared to the previous 12-month period. The largest increase in the value of spending over the year to April 2022 compared to the previous year took place in the fuel and automotive category (up 19.2%), followed by spending on groceries and liquor (up 4.8%).

- Retail spending figures are sourced from Marketview, and refer to spending made instore via electronic card transactions on the Paymark network.

Figure 4. Canterbury Total Retail Spending, January 2015 – April 2022



Growth in retail spending in the Canterbury region (April 2022 vs April 2021)

Category	Spending	Transactions
Apparel & Personal	3.3%	0.8%
Cafes, Restaurants, bars & takeaways	-6.9%	-13.7%
Fuel & Automotive	17.7%	-1.0%
Groceries & liquor	6.8%	-4.6%
Home & Recreation Retail	1.0%	-1.3%
Other Consumer Spending	-5.0%	-13.2%
Total	4.0%	-6.5%

Source: Marketview, ChristchurchNZ



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Queries?
Please contact:
Sophie Jones
Economic Analyst
Email: sophie.jones@christchurchnz.com