

Christchurch & Canterbury

Quarterly Economic Report

March 2023

Contents

Overview	2
Commentary	3
Economy	4
Employment	5
Housing & Confidence	6
Business	7
Visitors & International Migration	8
Central City	9
Regional Comparison	10
Sources	11

ChristchurchNZ

Economy	Employment	People & Housing	Business
<p>GDP Growth (YE March 2023 vs. YE March 2022)</p> <p>Christchurch: 4.3% ▲ Canterbury: 4.0% ▲ New Zealand: 2.9% ▲</p>	<p>Unemployment Rate (Q1 2023, Unadjusted)</p> <p>Christchurch: 3.9% ▲ Canterbury: 3.3% ▲ New Zealand: 3.2% ▼</p>	<p>Housing Affordability (Q1 2023) <i>Ratio of average house price to average incomes</i></p> <p>Canterbury: 6.6 ▼ New Zealand: 7.4 ▼</p>	<p>Retail Spending (Q1 2023 vs Q1 2022, Christchurch)</p> <p>Value of spending: 12.4% ▲ Volume of spending: 11.8% ▲</p>
<p>Balance of Trade (Q1 2023 vs Q1 2022, Christchurch)</p> <p>Exports: 12.0% ▲ Imports: 20.3% ▲</p>	<p>Labour Force Participation Rate (Q1 2023)</p> <p>Christchurch: 74.3% ▲ Canterbury: 74.1% ▲ New Zealand: 72.2% ▲</p>	<p>Rental Affordability (Q1 2023) <i>Average rental costs as share of average household income</i></p> <p>Canterbury: 21.7% ▲ New Zealand: 21.8% ▼</p>	<p>Performance of Manufacturing Index (Q1 2023) >50: expansion; <50: contraction</p> <p>Canterbury: 50.4 ▼ New Zealand: 48.2 ▼</p>
<p>CPI Inflation Rate (Q1 2023)</p> <p>Annual growth: 6.7% ▼ Quarterly growth: 1.2% ▼</p>	<p>Jobs Online (Q1 2023 vs Q1 2022)</p> <p>Canterbury: -12.0% ▼ New Zealand: -9.9% ▼</p>	<p>Residential Cost of Living (Christchurch, Q1 2023 vs. Q1 2022)</p> <p>Weekly Rent: 6.0%▲ (NZ: 3.4% ▲) House Prices: -5.9%▼ (NZ: -13.4%▼)</p>	<p>Performance of Services Index (Q1 2023) >50: expansion; <50: contraction</p> <p>Canterbury: 51.0 ▼ New Zealand: 52.4 ▼</p>
<p>Building Consents (Q1 2023 vs. Q1 2022)</p> <p>Christchurch: -35.0% ▼ Canterbury: -28.3% ▼ New Zealand: -21.9% ▼</p>	<p>Jobseeker Support Recipients (Q1 2023 vs Q1 2022)</p> <p>Christchurch: -8.1% ▼ Canterbury: -8.9% ▼ New Zealand: -5.1% ▼</p>	<p>Consumer Confidence (Q1 2023) <i>A score above 100 reflects a net positive response</i></p> <p>Canterbury: 74.4 (▼-3 points vs Q4 2022) New Zealand: 77.7 (▲+2.1 points vs Q4 2022)</p>	<p>Tourism Visitor spend transactions (Christchurch, Q1 2023 vs. pre-COVID: Q1 2019)</p> <p>Domestic: 13.2% ▲ International: 34.5% ▲ Total visitor transactions: 20.3% ▲</p>

The March 2023 quarter was characterised by many of the economic pressures evident in previous quarters- strong consumer price inflation, rising interest rates and weakness in the property sector. On the other hand, labour market pressures began to show signs of easing, supported by strong migration inflows. Within a wider environment of slowing economic activity, Canterbury's economy continued to draw resilience from its export sector and the return of international visitors.

Positives

- **The labour market** is showing signs of loosening, with advertised vacancies dropping back both locally and nationally. At the same time, the labour force participation rate continued to rise (hitting a record high of 74.1% in Canterbury during Q1), likely supported by strong growth in migrant arrivals.
- Against a backdrop of slowing demand, the **manufacturing and services sectors** both remained in expansive territory during Q1 (at 50.4 and 51.0, respectively). Performance in Canterbury's manufacturing sector outperformed that of New Zealand as a whole in the March quarter. Meanwhile, Canterbury's service sector performance has been improving in recent months after dropping in Q3 last year.
- **Jobseeker** numbers continued to drop back from their COVID-induced highs during Q1. Jobseeker recipient numbers have fallen back more rapidly in Christchurch than across New Zealand as a whole, with national jobseeker numbers up 11.0 percent compared to pre-COVID, compared to 8.6 percent in Christchurch.
- Canterbury's **export sector** recorded strong performance during Q1, with the value of exports from local ports reaching a record monthly high in March 2023.
- **Visitor spending** continued to boost retail activity, particularly within the central city where injections from visitor dollars offset reductions in spending by locals during Q1.

Headwinds

- **Inflationary pressures** remained front and centre during Q1. Despite declining from the previous quarter, the annual inflation rate remained elevated at 6.7 percent, with domestically-generated (non-tradeable) inflation reaching a record-high.
- Weakness in the **housing market** persisted during the March quarter, although monthly declines in house prices did slow after months of steadily losing steam. Despite recent weakness, the extent to which house prices have fallen from their peak in Canterbury is around half that of price declines at the national level.
- Declining activity in the property sector appears to have finally flowed through to influence **building consent** issuance in Christchurch & Canterbury. The number of residential contents issued in Christchurch fell by -29 percent in Q1 2023 from the previous quarter.
- **Confidence** remained at GFC-level lows during the March quarter, with both regional economic confidence and consumer confidence firmly in net pessimistic territory. Consumer confidence amongst Cantabrians (which measures how respondents feel about their personal financial situation and sentiment toward the national economy) worsened from Q4 last year. Meanwhile, regional confidence (which tracks how households feel about economic conditions specifically within they region that they live) improved over the same period. This suggests that negative sentiment in Canterbury is being influenced more so by national economic conditions than the regional outlook.

Time for a shake-up

The beginning of 2023 brought with it signs of a subtle shift in the landscape, after months of little movement in headline economic trends. Two record-breaking months of migration inflows during the March quarter have begun to provide a much-needed boost to the size of both the local and national labour force. This appears to have supported the ability of businesses to begin backfilling the positions they were unable to fill during 2022, as demonstrated by growth in employment figures. At the same time, we have observed a pull-back in the number of job vacancies being advertised online, with national job ads falling back to pre pandemic levels. In Canterbury job advertisements remain well above pre-COVID levels, but have clearly dropped back from the record-breaking highs reached in 2022. Together these indicators point to early signs of labour market pressures easing. If this continues, it will bring some much-needed relief to businesses struggling amid the supply-side pressures of labour shortages and wage inflation.

While the state of the labour market appeared to be improving in Q1, other aspects of the economy continued to paint a less optimistic picture. Households not only face pressure on their day-to-day expenses due to elevated consumer price inflation and the rising cost of debt, but also reductions in their asset values as falling property prices continue to drag down household wealth. The impact of this on sentiment was clearly reflected in the gloomy results of Q1's confidence surveys. Through the gloom however, Canterbury's economy had a couple of beacons of light- a strong export sector and ongoing recovery in the international visitor market.

Migration takes centre stage

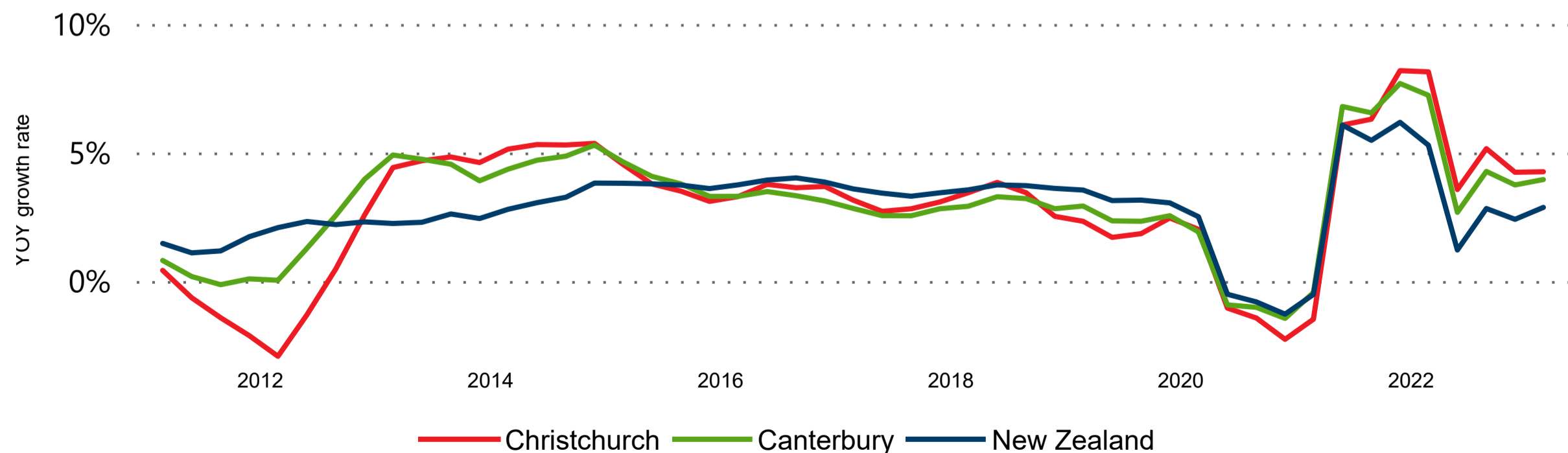
Economic conditions over the coming year look set to be more dynamic than what we observed during the second half of 2022. The extent to which recent OCR hikes impact on domestic demand will become fully clear over the next few quarters as mortgage-holders roll off historically low fixed-interest rates. On the other hand, negative growth in the property market is slowing. While its still too early to tell for certain, this could be a sign that house prices may be close to finding their floor. Strong migration inflows add further dynamism to this mix, and its impact on demand for housing (particularly via the rental market) may spark some life in a very subdued market over the coming months.

We expect migration to play a key role in driving economic trends over the coming year. Due to its various impacts on both supply and demand, the overall effect of migration on the economy can be complex. There is also a reasonable degree of uncertainty as to how long the strong migration inflows currently taking place will continue for. On one hand, the number of visa approvals that have been issued in the post-COVID period means the pool of potential arrivals is very large. On the other hand, the outlook for the coming year is one of softening economic activity and rising unemployment. As job opportunities soften, we would expect migrant arrival numbers to moderate. Regardless of how these factors interact with each other, migration is positioned to be a key fixture of the economic narrative over 2023.

Economy

- Year-to-date **economic growth** for Christchurch increased 4.3 percent in the year to March 2023 compared to the previous 12-month period. Canterbury and New Zealand recorded year-to-date economic growth rates of 4.0 percent and 2.9 percent respectively, over the same period. Christchurch City recorded the fifth highest GDP growth rate by New Zealand district over the year to March 2023, with an estimated annual GDP output of \$31.3 billion.
- **Building consents** in Christchurch recorded negative year-on-year growth during Q1 2023, in a departure away from recent trends. Consent issuance for all building types fell -35.0 percent from Q1 last year, with residential consents down -35.9 percent and non-residential consents down -2.9 percent. The strength of these negative growth rates is largely a reflection of the record high consent numbers issued during the comparison period. However, Christchurch consents numbers have still clearly softened in recent months.
- The Canterbury Region made up 17 percent of residential consents issued in New Zealand during Q1, and on an annual basis, continued to record the highest number of new homes consented per 1,000 residents of any New Zealand region.
- New Zealand's **Consumer Price Index (CPI)** annual inflation rate dropped to 6.7 percent during Q1 2023, but remains well outside of the 1-3 percent target band. The speed at which inflation is increasing continued to slow over the March quarter, with prices rising 1.2 percent during Q1 compared to 1.4 percent during Q4 2022.
- Canterbury's **Regional Economic Confidence** increased 10 points in Q1 2023 from the record low observed in the previous quarter, but remained firmly in the negatives. Canterbury's regional economic confidence score was -18 in Q1, compared to -27 in Wellington, and -33 in Auckland (where scores remain low following extreme weather events). Economic confidence reflects the difference between the percentage of households expecting economic conditions within their region to improve over the next year, and those expecting prospects to worsen. A negative score indicates a net pessimistic response.

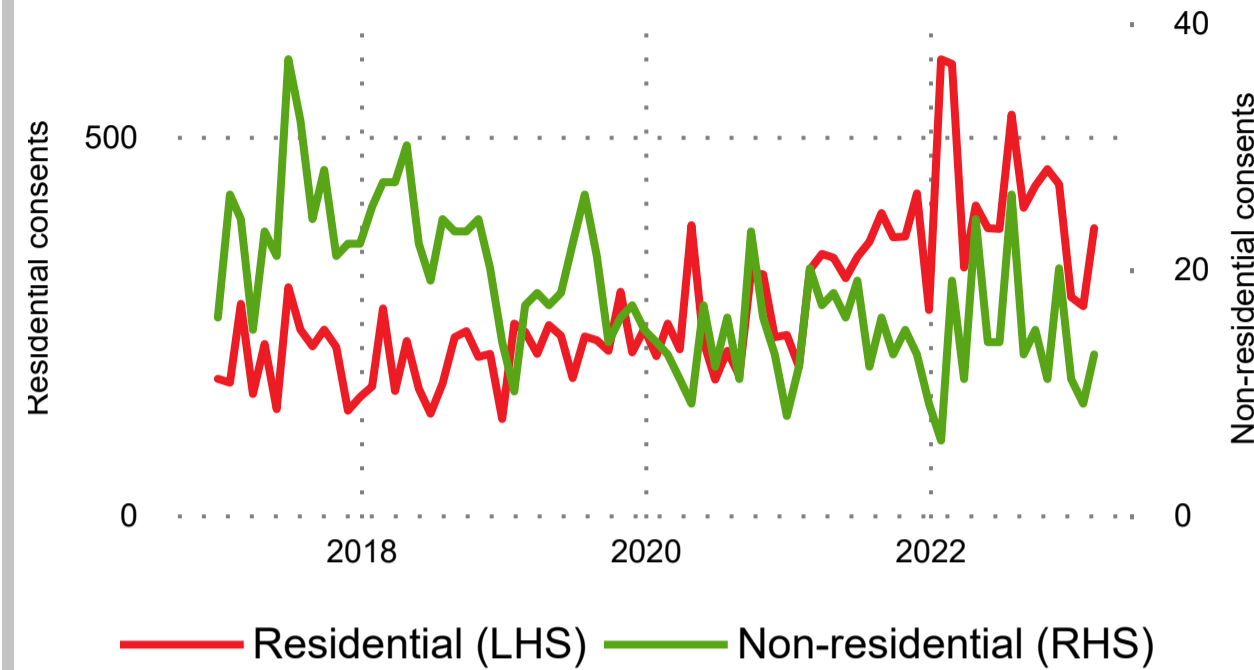
Economic Growth (year-to-date)



Source: Infometrics, ChristchurchNZ

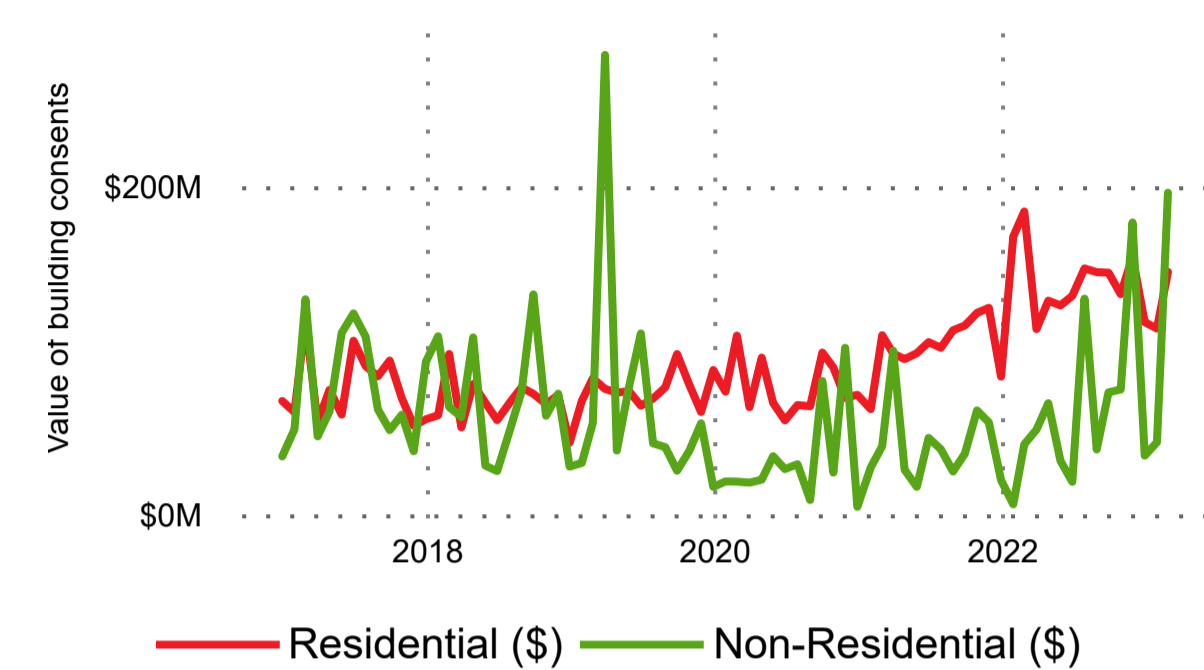
ChristchurchNZ

Number of Building Consents Issued (Christchurch)



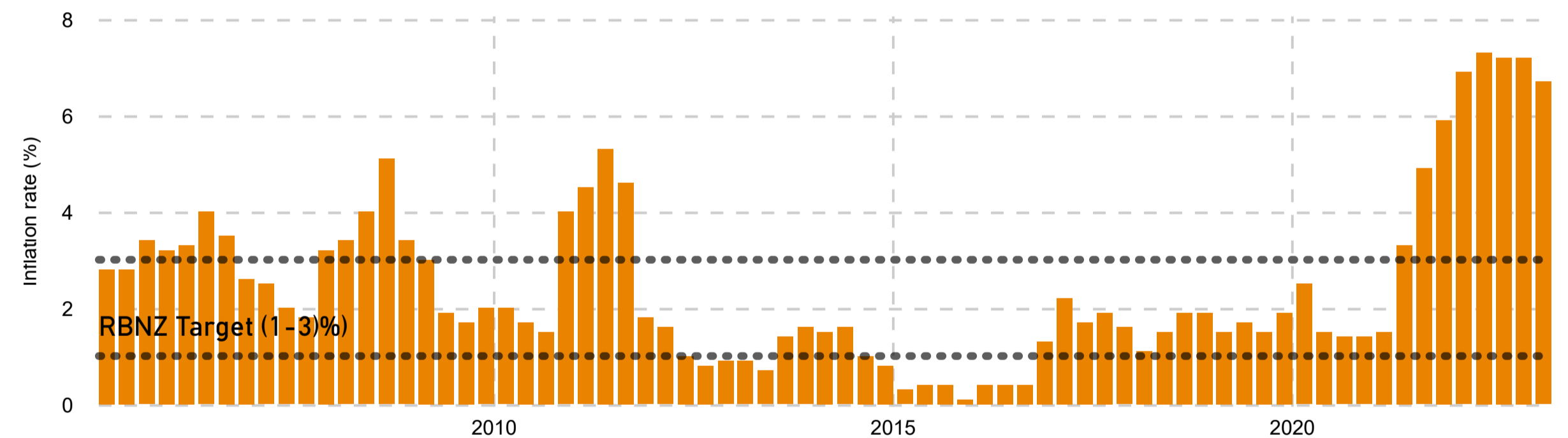
Source: Statistics New Zealand, ChristchurchNZ

Value of Building Consents Issued (Christchurch)



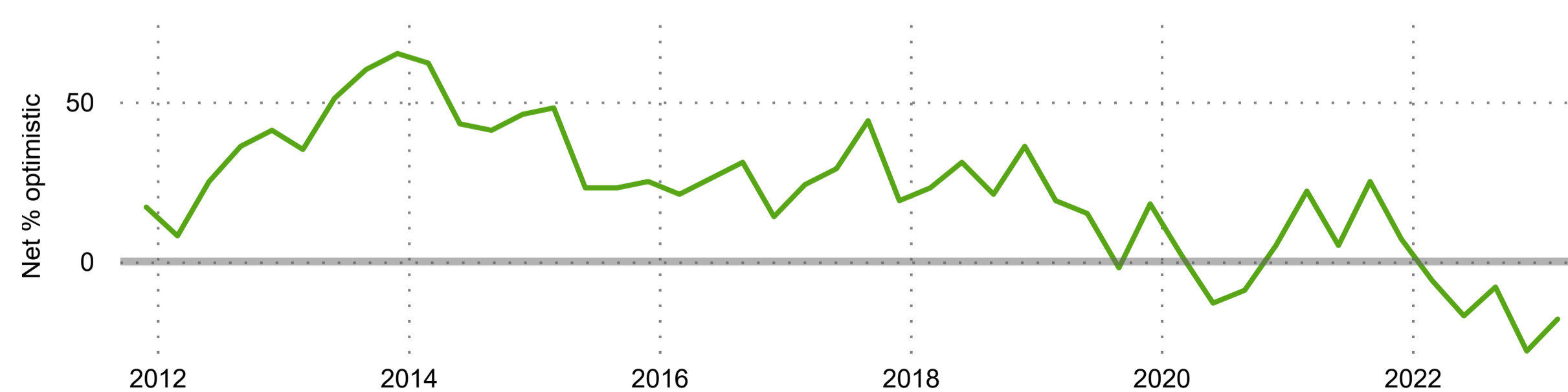
Source: Statistics New Zealand, ChristchurchNZ

CPI Inflation Rate (%)



Source: Statistics NZ

Regional Economic Confidence (Canterbury)

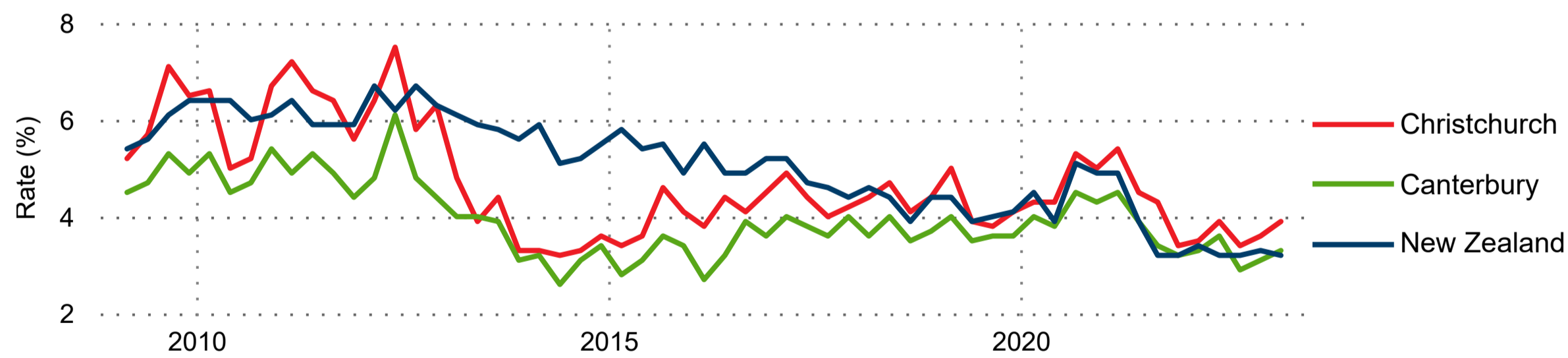


Source: Westpac McDermott Miller,

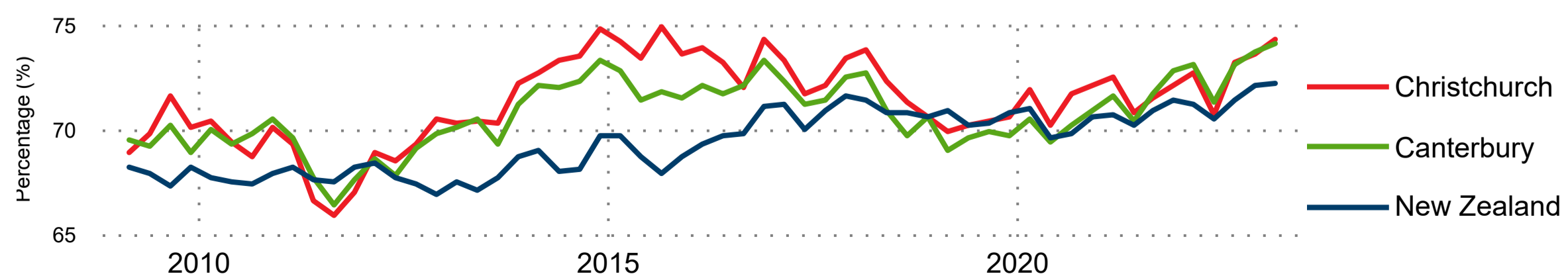
Employment

- Christchurch's unadjusted **unemployment rate** increased slightly from 3.6 percent in Q4 last year to 3.9 percent in Q1 2023. Unemployment increased by a similar degree in Canterbury, rising from 3.1 percent in Q4 2022 to 3.3 percent in Q1 2023. Unemployment across New Zealand as a whole sat at 3.2 percent during Q1.
- While the unemployment rate in Christchurch & Canterbury increased slightly in Q1 2023, the number of people employed in both areas increased over the same period due to growth in the size of the labour force. The **labour force participation rate** in Christchurch lifted to 74.3 percent (a six-year high) while in Canterbury, labour force participation hit an all-time record high of 74.1 percent.
- The number of **jobs advertised online** continued to soften across both Canterbury and New Zealand during the March quarter, although remained historically high.
- Annual **job vacancy growth by industry** was positive in education (+29%), hospitality (+27%), the primary sector (+11%) and health (+7%) during Q1 in Canterbury. Contractions in the number of jobs advertised online were sharpest in construction (-17%) and IT (-16%) compared to the same quarter in 2022.
- The number of people receiving **Jobseeker support** continued to fall in the March quarter, both locally and nationally. Jobseeker support recipient levels were 8.6 percent above pre-COVID levels in Christchurch during Q1, compared to 11.0 percent across New Zealand as a whole. The number of people receiving Jobseeker support in Christchurch peaked in December 2020 at 51.8 percent above pre-COVID levels.

Unemployment Rate (unadjusted)

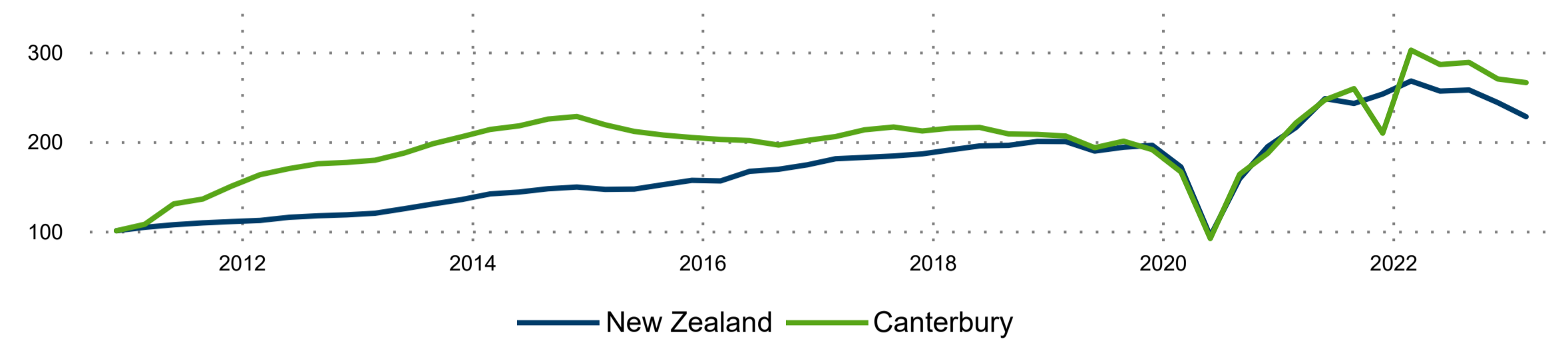


Labour Force Participation Rate



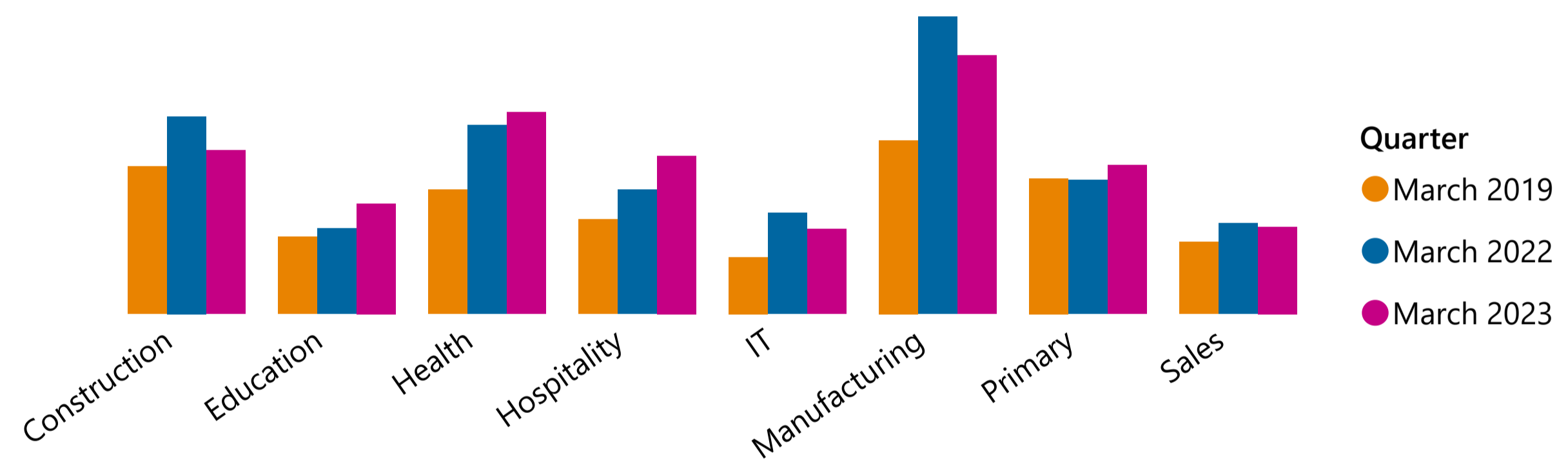
Source: Statistics New Zealand, ChristchurchNZ

Jobs Online (unadjusted, indexed to Dec. 2010)



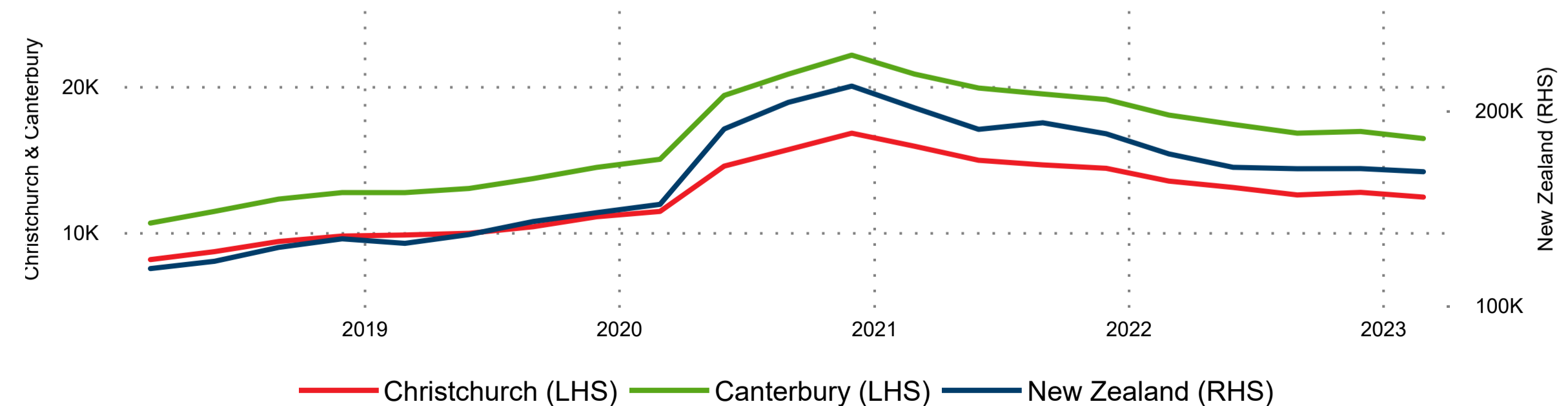
Source: MBIE

Jobs Online for Selected Industries, Canterbury (unadjusted, indexed to Dec. 2010)



Source: MBIE

Jobseeker Support Recipients

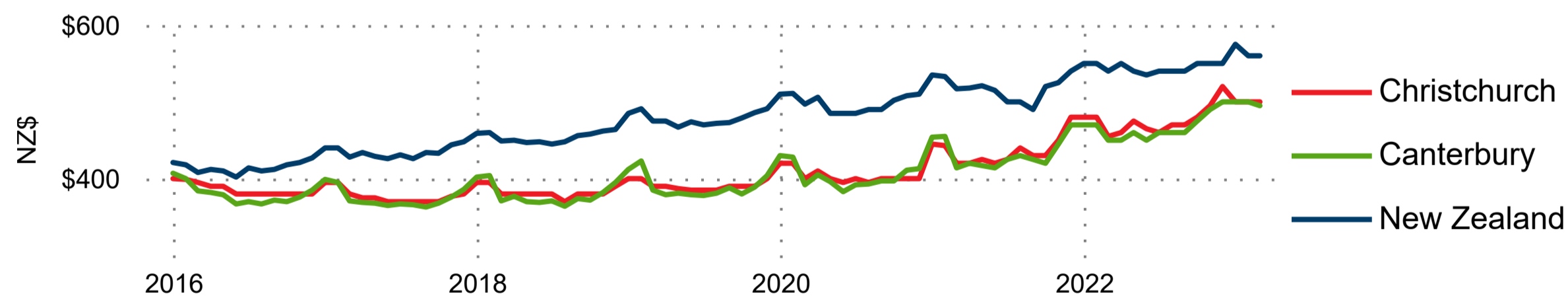


Source: MSD

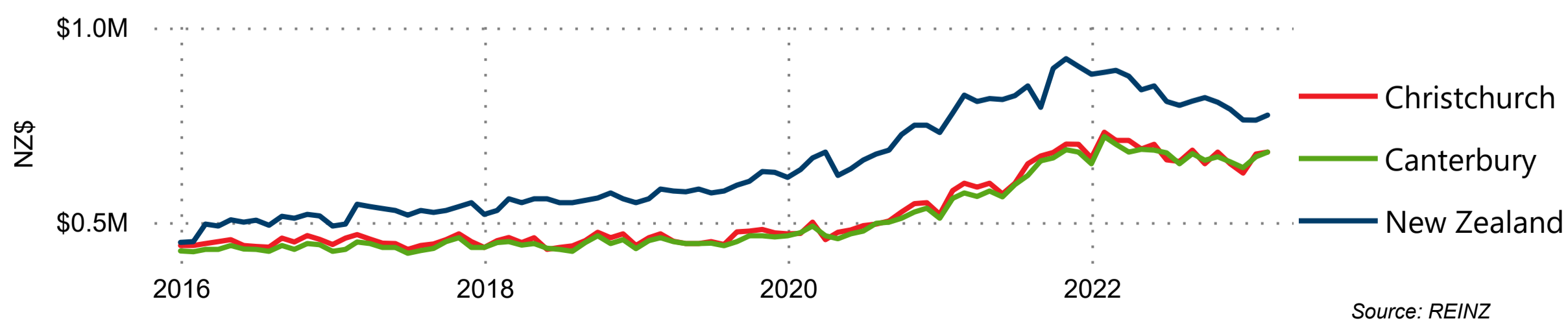
Housing & Confidence

- **Rental prices** remained static during Q1, with median weekly rent settling at \$500 in Christchurch and \$560 across New Zealand following growth in previous quarters. Compared to the same quarter in 2022, median rents increased by 6.0 percent in Christchurch and 3.4 percent across New Zealand. Based on March 2023 average rental prices, yearly rental costs were equivalent to 20.7 percent of annual incomes in Christchurch.
- **House prices** increased slightly in Q1 2023 compared to Q4 2022, after a year of quarter-on-quarter declines. The median house price in Christchurch sat at \$660k during Q1, down -5.9 percent from Q1 2022. The median house price across New Zealand averaged at \$767k in the March quarter, down -13.4 percent from the same time last year. On average, house prices were equivalent to 6.4 times annual incomes in Christchurch during Q1. Housing affordability ratios have been improving both locally and nationally as a result of declining house prices over the last twelve months.
- There were 12,600 **residential mortgage loans** issued in New Zealand during Q1 2023. This was -28.3 percent below the number issued during Q1 2022, and -13.5 percent below pre-COVID levels (Q1 2019). Meanwhile, the number of mortgages issued to first-home buyers increased compared to pre-COVID (up 8%) but still remained below that of Q1 last year (-9%).
- **Consumer confidence** in Canterbury dropped further during Q1, in contrast to the national score which recorded a slight bump from the previous quarter. Despite this, consumer confidence scores across the country remain firmly in the realms of GFC-level gloom, with cost-of-living pressures continuing to weigh heavily on public sentiment. The drop in consumer confidence in Canterbury during Q1 is likely to stem from a 'catch-up effect' of falling house prices in the region, which has experienced a later and slower decline in the housing market than the rest of the country.

Median Residential Weekly Rent

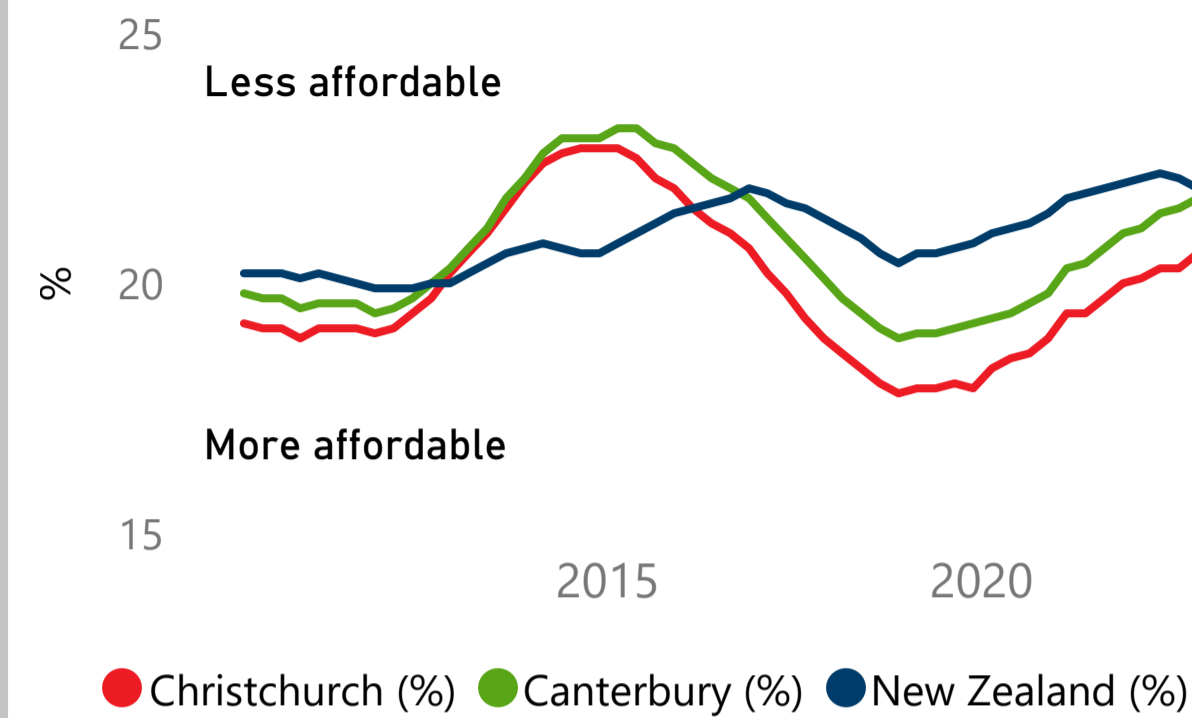


Median House Price

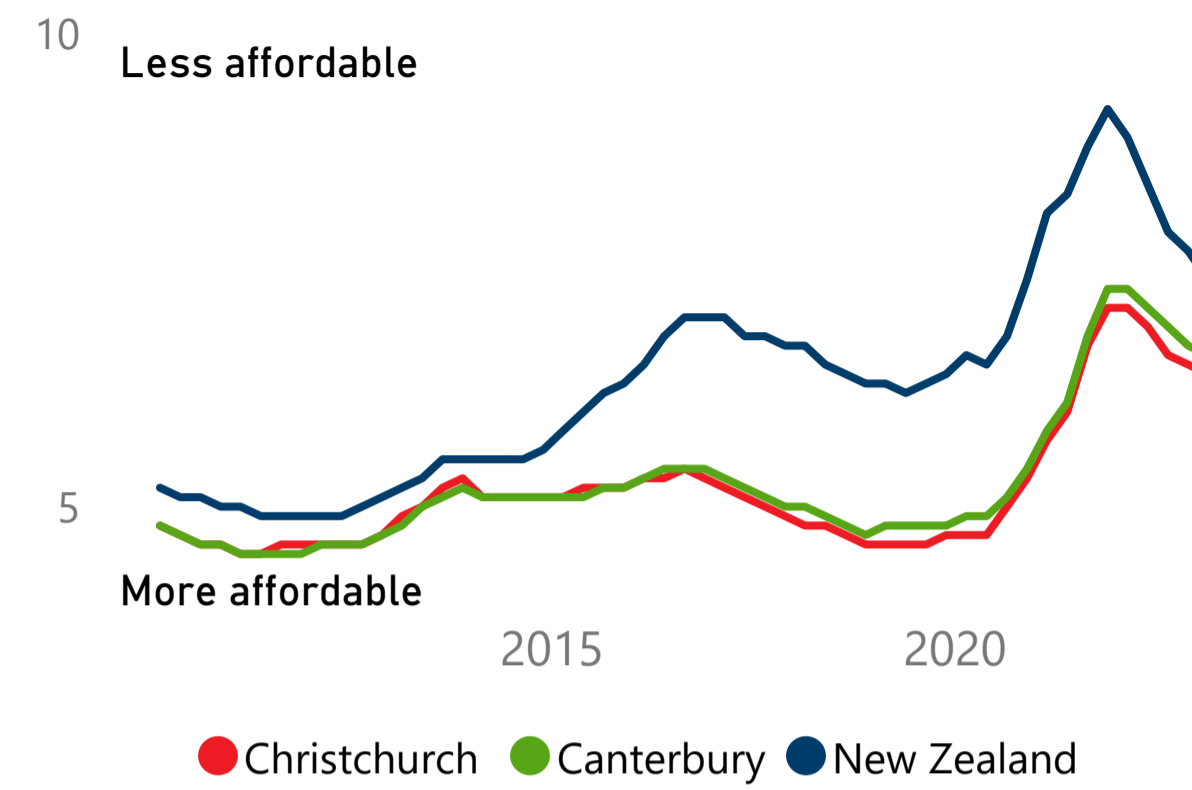


ChristchurchNZ

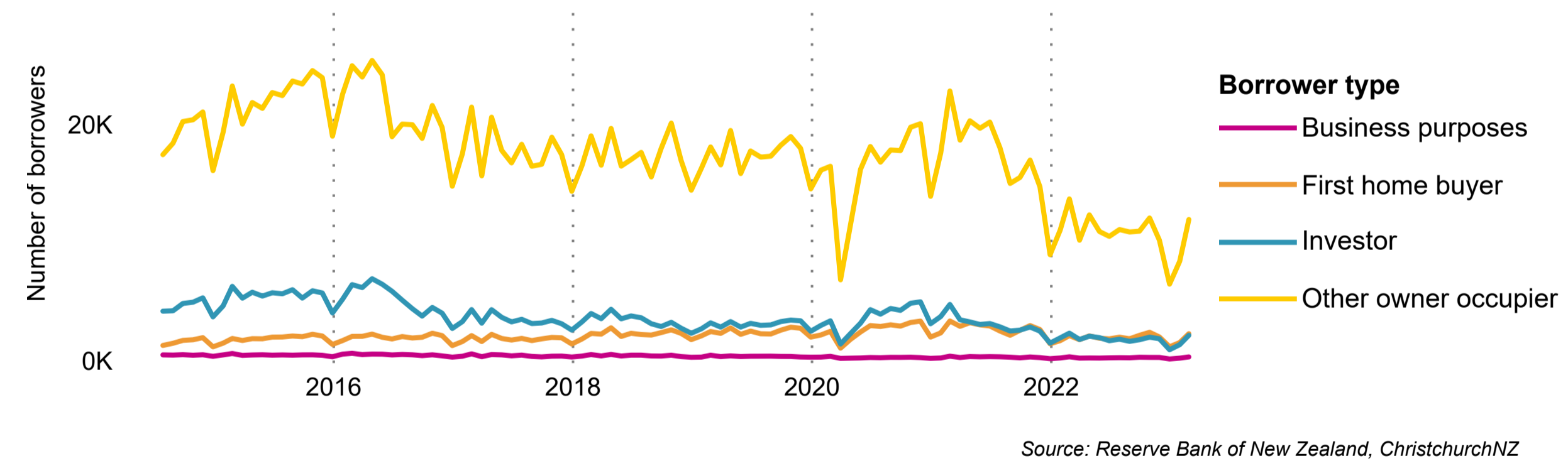
Annual Rent as Share of Household Incomes (averages)



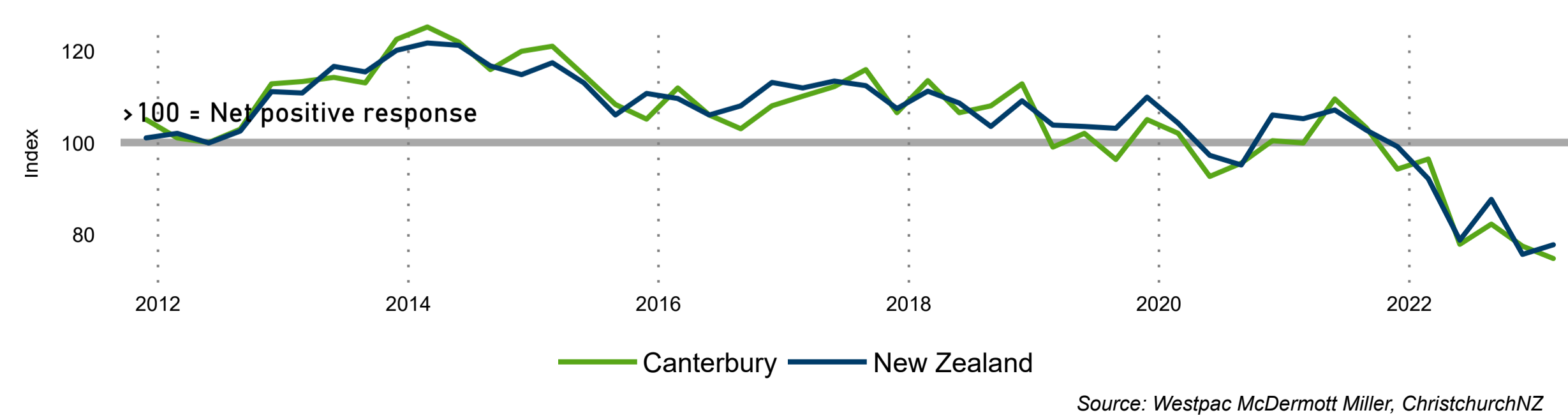
House Price to Income Ratio (averages)



Number of New Residential Mortgage Loans Issued by Borrower Type, New Zealand



Consumer Confidence



- Value of spending:** The value of retail spending in Christchurch increased 12.4 percent in Q1 2023 from the same time in 2022. The uplift in spending was strongest in the 'other consumer spending' category, which increased a significant 79.0 percent from Q1 2022. This category captures tourism and recreation spend, and this growth rate reflects the impact of the return of international visitors to the city. Cafes, restaurants, bars and takeaways also recorded strong positive growth (up 25.4%). This not only reflects the impact of increased tourism spending, but also reflects the low levels of spending at this store type during Q1 last year due to the effect of COVID on consumer activity.

- Volume of spending:** The number of electronic card transactions in Christchurch during Q1 2023 increased 11.8 percent from Q1 last year. All spend categories recorded a lift in spending volumes except for apparel & personal, with transactions falling -2.7 percent from Q1 2022. Growth was again strongest in the 'other consumer spending' category, with transactions up 27.4 percent from the same time last year. Transaction data is a way of measuring consumer spending activity that is less impacted by price inflation than the overall value of spending.

- Exports:** The value of exports from Christchurch ports reached a record monthly high in March 2023. This saw quarterly exports increase 12.0 percent from Q1 2022, while the value of imports increased 23.0 percent over the same period. This uplift in imports saw the size of Christchurch's trade balance shrink -4.8 percent compared to the same time last year, although still remained net positive.

- Manufacturing Index (PMI):** The unadjusted Performance of Manufacturing Index (PMI) for Canterbury remained slightly expansive during Q1 2023, with an average quarterly score of 50.4. This was below that of Q1 last year (52.8). New Zealand's manufacturing sector dropped in contraction over the same period, with a quarterly PMI of 48.2. A general slowdown in activity and decreased demand were identified as key factors at the national level.

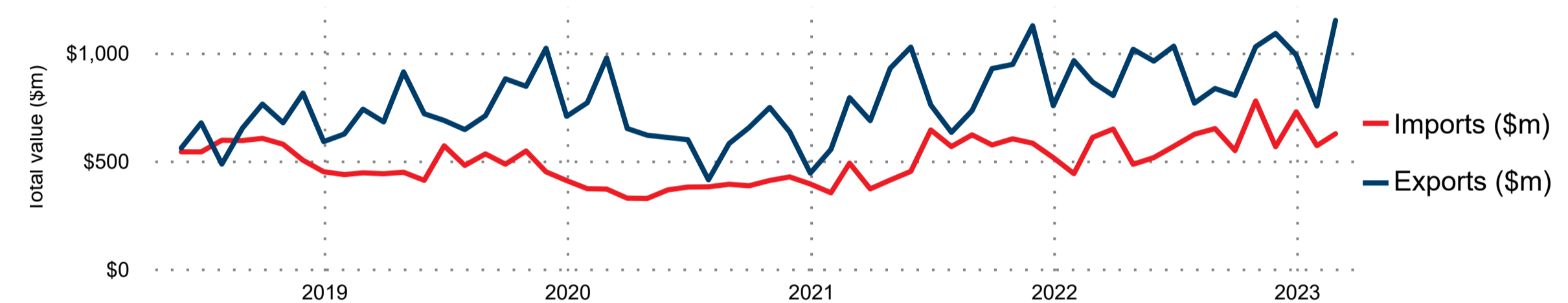
- Services Index (PSI):** The unadjusted Performance of Services Index (PSI) for Canterbury came in at an expensive 51.0 on average during the March quarter. This was largely due to a lift in Canterbury's PSI at the end of the quarter, as scores for January and February were both slightly below 50, indicating that the sector was in contraction. The service sector's performance was stronger at the national level during Q1, with an average score of 52.4 across New Zealand.

Annual retail spending growth, Christchurch (Q1 2023 vs Q1 2022)

Spending growth	Apparel & Personal	Cafes, Restaurants & Bars	Fuel & Automotive	Groceries & Liquor	Home & Recreation Retail	Other Consumer Spending	Total
Transactions	-2.7%	19.2%	11.6%	10.9%	3.2%	27.4%	11.8%
Value	8.9%	25.4%	9.0%	8.8%	3.9%	79.0%	12.4%

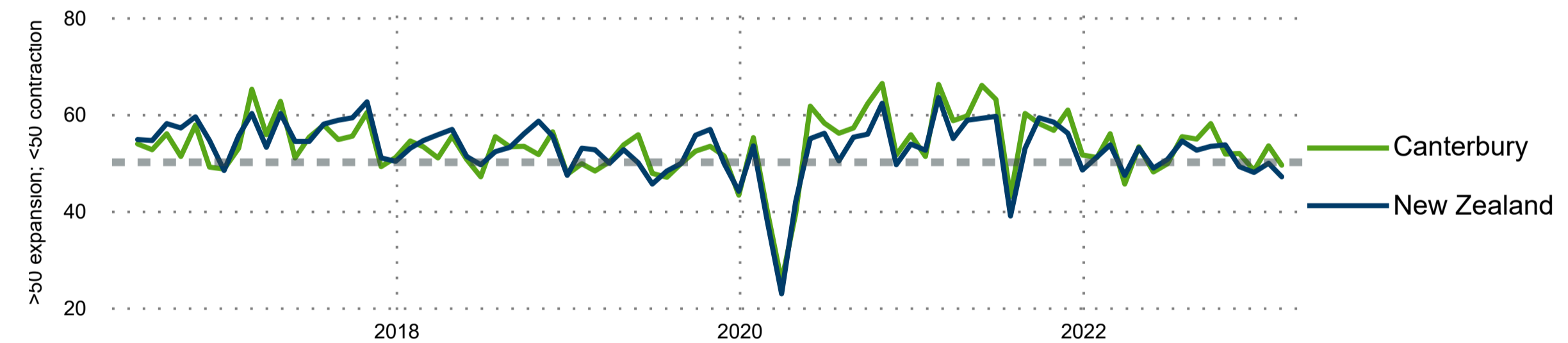
Source: MarketView

Christchurch Ports: Value of International Trade

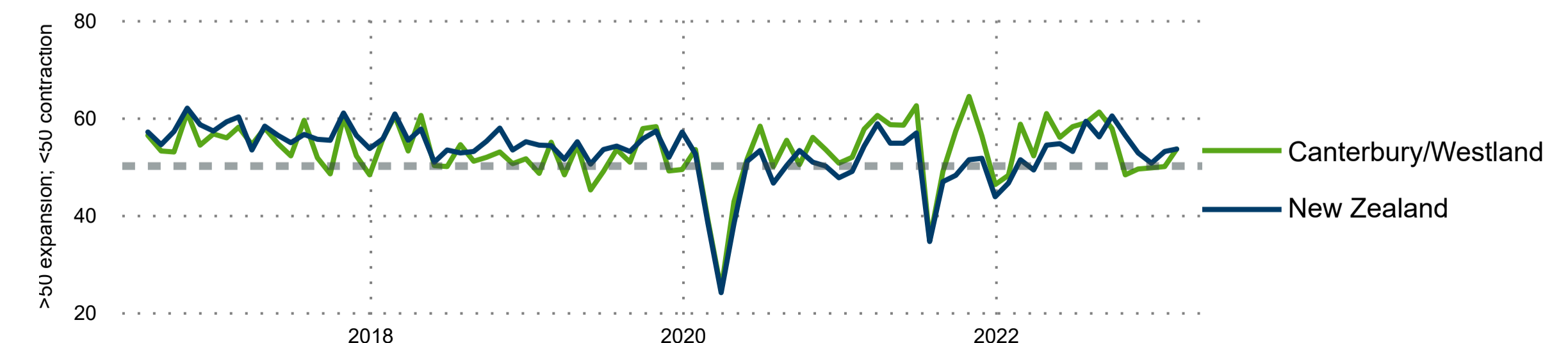


Source: Statistics NZ

Performance of Manufacturing Index

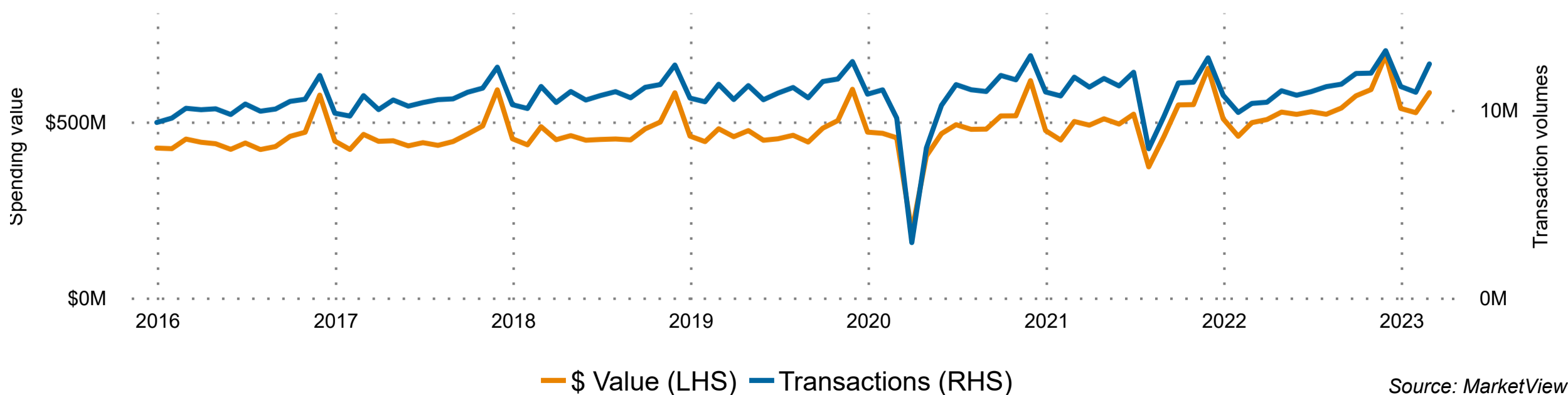


Performance of Services Index



Source: BNZ Business NZ

Retail spending via electronic card transactions, Christchurch

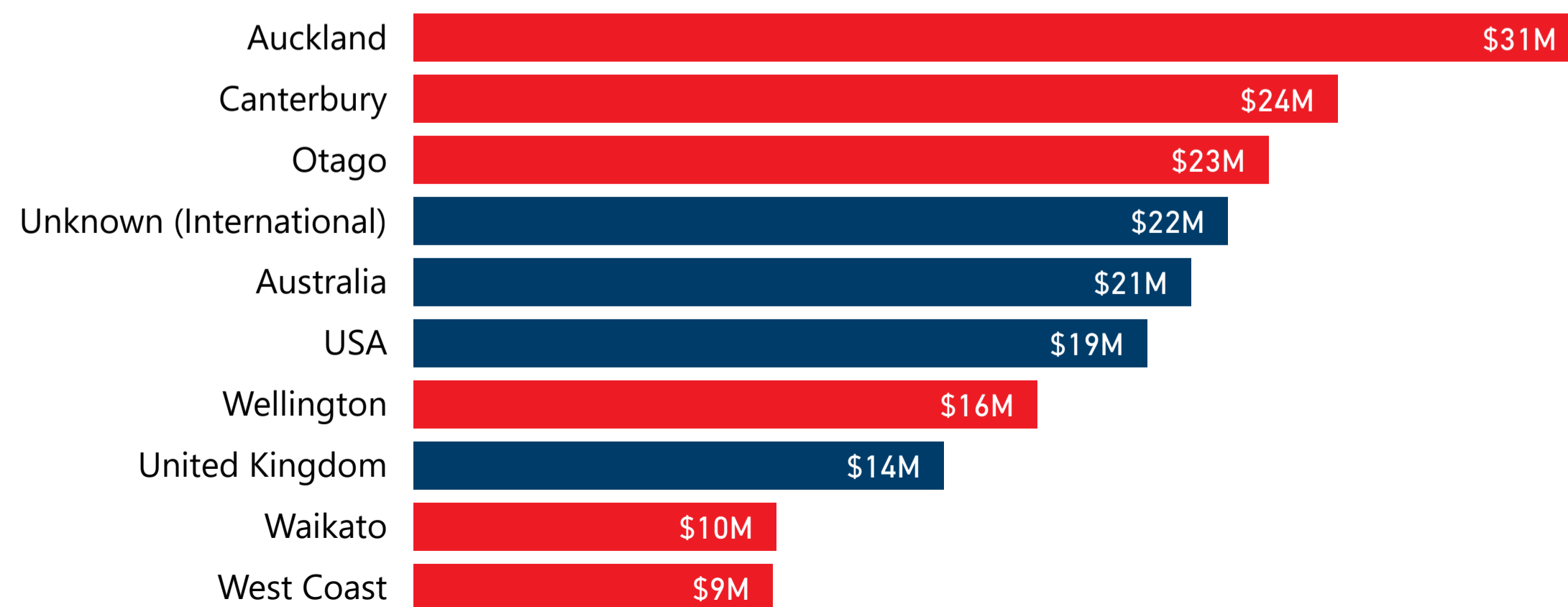


Source: MarketView

Visitors & International Migration

- Compared to pre-COVID (Q1 2019), the value of domestic **visitor spending** increased 15.0 percent in Q1 2023, while the value of international visitor spending increased to 8.3 percent above pre-COVID levels. Overall, the value of visitor spending in Christchurch during Q1 2023 was 12.3 percent higher than the same quarter in 2019. Spending volumes (the number of visitor spend transactions) increased 20.3 percent over the same period, with domestic visitor transactions up 13.2 percent and international visitor transactions up 34.5 percent compared to Q1 2019.
- Four of the ten highest spending **visitor markets** in Christchurch during Q1 2023 were of international origin, while the remaining six were domestic, led by Auckland and rest of Canterbury. Compared to pre-COVID, the largest increase in spending from international markets occurred amongst visitors from the USA. The value of spending by visitors from the USA lifted to 23 percent above Q1 2019 levels.
- Almost 90,000 **international visitor arrivals** landed at Christchurch Airport during Q1 2023. This was equivalent to approximately half the number of arrivals during Q1 2019. 48 percent of international visitor arrivals during Q1 were from Australia, followed by 12 percent from the UK and 7 percent from the USA. The share of international arrivals visiting Christchurch for the purpose of a holiday was higher than the share of holiday arrivals in New Zealand overall (53% in Christchurch vs 47% across New Zealand as a whole).
- Christchurch & Canterbury both experienced two record-breaking months of **migration inflows** during Q1 2023, with quarterly migrant arrivals totalling at 3,500 in Christchurch and 4,700 across Canterbury. Compared to the same quarter pre-COVID (2019), arrivals in Christchurch and Canterbury increased by 46 percent and 55 percent, respectively. Monthly migrant arrivals also reached record-breaking heights across New Zealand during Q1 2023, with over 54,000 permanent and long-term arrivals. This was a 73 percent increase from the same quarter in 2019.

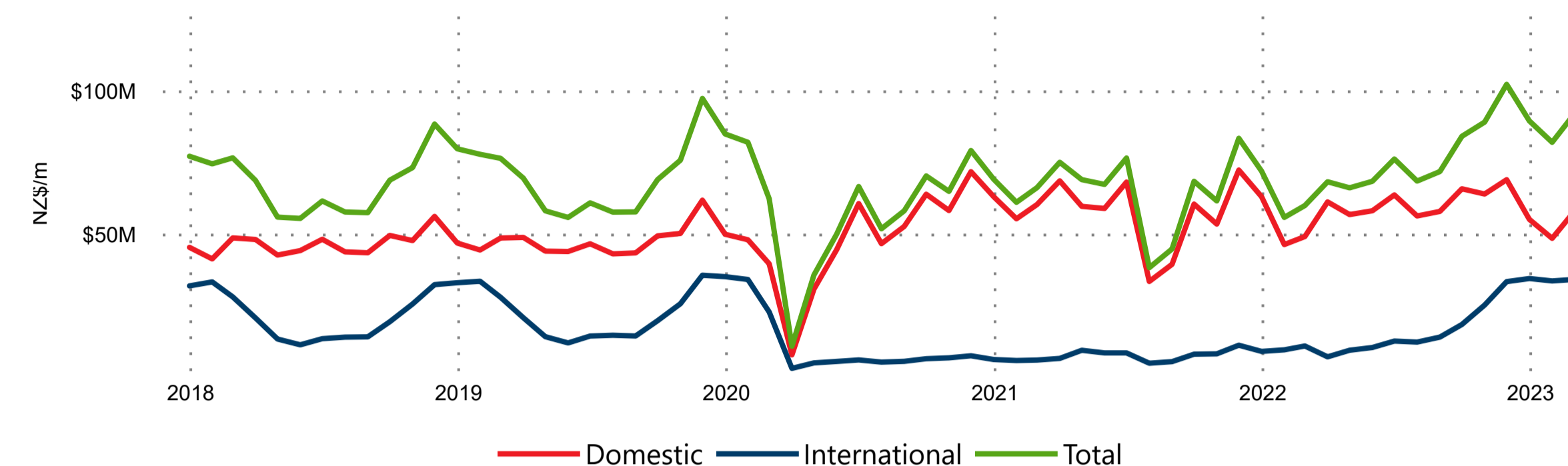
Value of visitor spending in Christchurch by ten highest spending markets, Q1 2023



Source: MarketView (Electronic Card Transactions)

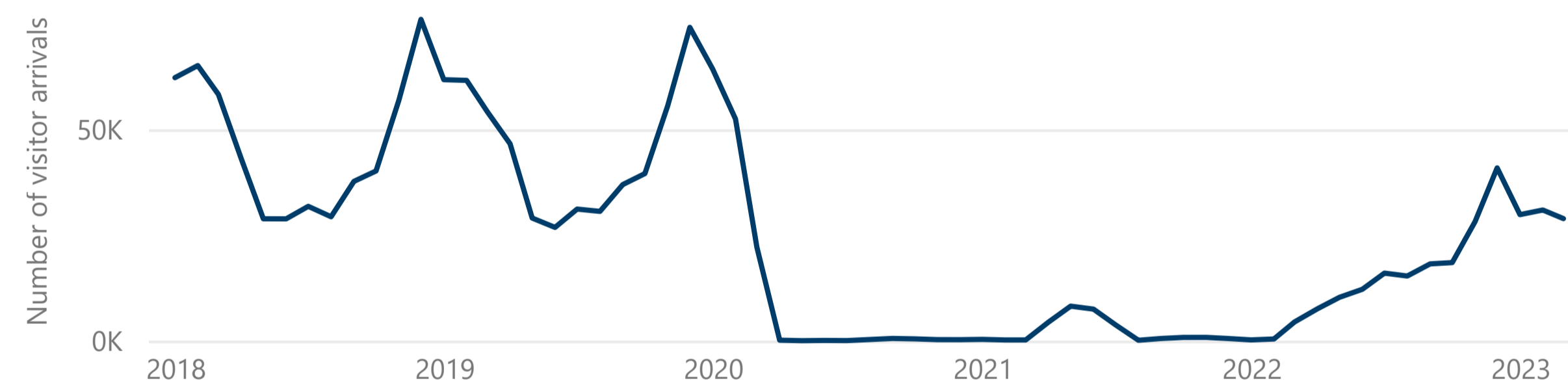
ChristchurchNZ

Visitor Spending in Christchurch



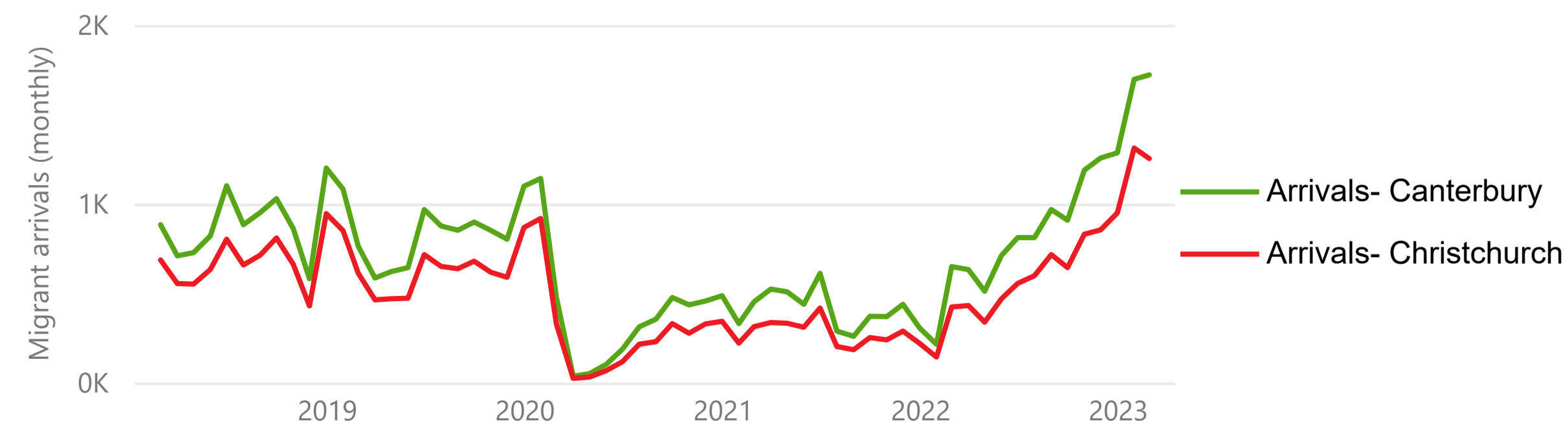
Source: MarketView (Electronic Card Transactions)

International Visitor Arrivals, Christchurch Airport



Source: Statistics New Zealand, ChristchurchNZ

Permanent & Long-Term International Migration

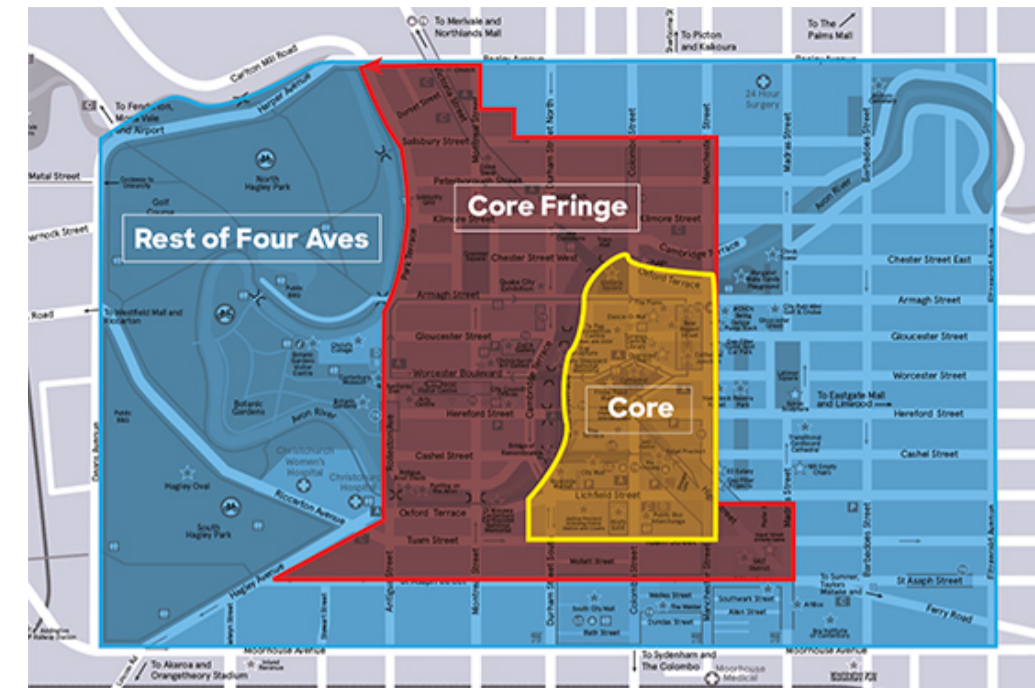


Source: Statistics New Zealand, ChristchurchNZ

Central City

- 'Central city' spending refers to spending within the *core and core fringe* areas on the below map. The **value of retail spending** in the central city during Q1 increased 42.9 percent from the same quarter in 2022. This strong growth reflects the lower levels of retail activity in the central city during early 2022 due to COVID impacts- in particular an increase in the number of people working from home. Compared to the same quarter in 2021 (a more 'typical' baseline), the value of retail spending in the central city increased by 22.4 percent. This was largely driven by an increase in international visitor spending, with the value of local spending within the central city remaining in line with Q1 2021 levels.

City Map

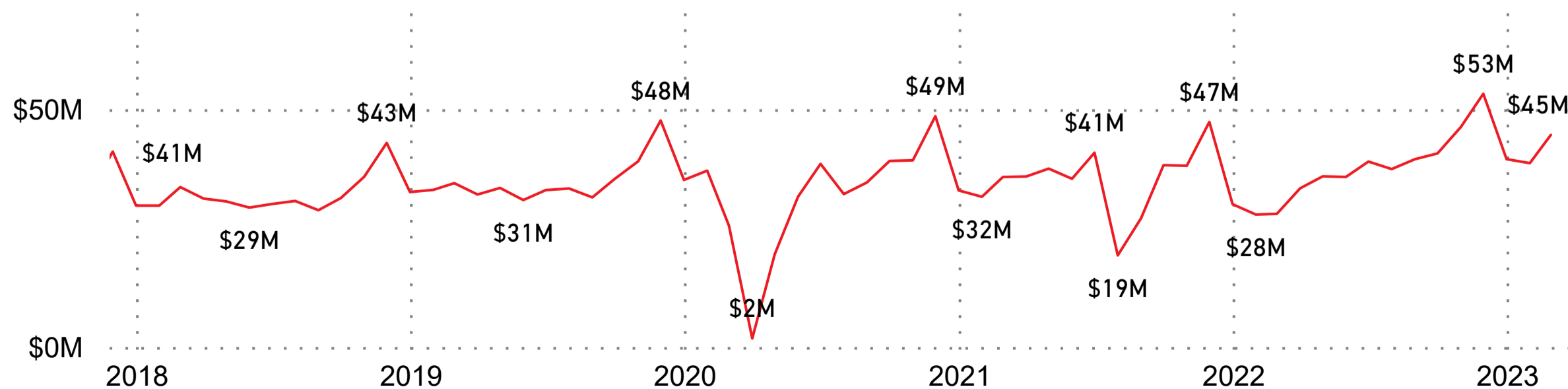


- The **volume of retail spending** in the central city increased 41.0 percent in Q1 2023 from Q1 2022. However, spending volumes increased by just 5.5 percent when compared to the same quarter in 2021. This uplift in transaction volumes from 2021 was again driven by increased international visitor spending, which offset the impact of reduced spending in the central city by other customers. The number of transactions carried out by residents of Christchurch in the central city fell -12.7 percent from Q1 2021, while the number of transactions by domestic visitors fell -15.3 percent over the same period.

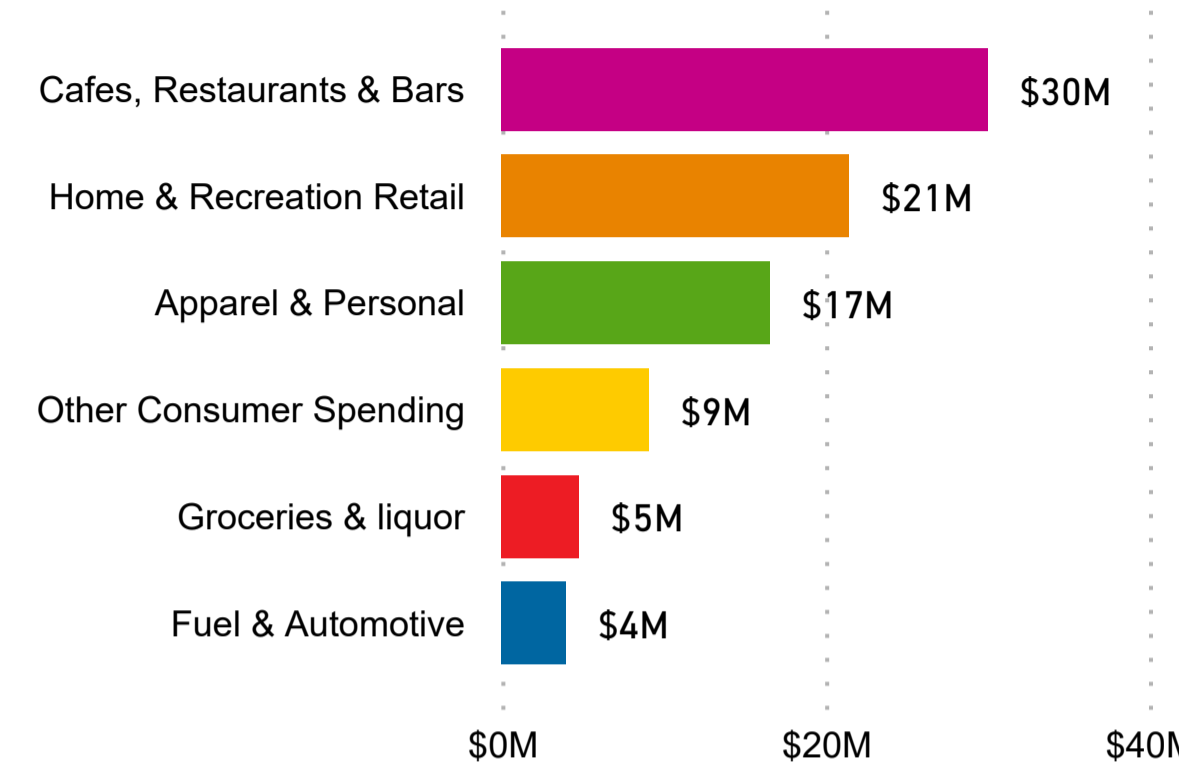
- All store categories within the central city experienced an uplift in both the value and volume of spending from both Q1 2021 and Q1 2022, with the exception of cafes, restaurants, bars and takeaways (which experienced a slight contraction in transaction numbers compared to the same time in 2021). Growth was particularly strong in the 'other consumer spending' category, which captures tourism and recreation spend.

- The number of people **living in the Four Avenues** continued to increase in 2022 from 2021, with the inner-city population growing 3.3 percent over the year to June 2022. The Four Ave's population is now sitting at approximately 94% of pre-earthquake levels. The number of **employees in the Four Avenues** increased by 5.0 percent in 2022 from 2021. Employees in the Four Aves make up 20 percent of Christchurch's workforce.

Value of retail spending (central city, monthly)



Value of central city retail spend by store category, Q1 2023



ChristchurchNZ

Value of central city retail spend by customer origin, Q1 2023

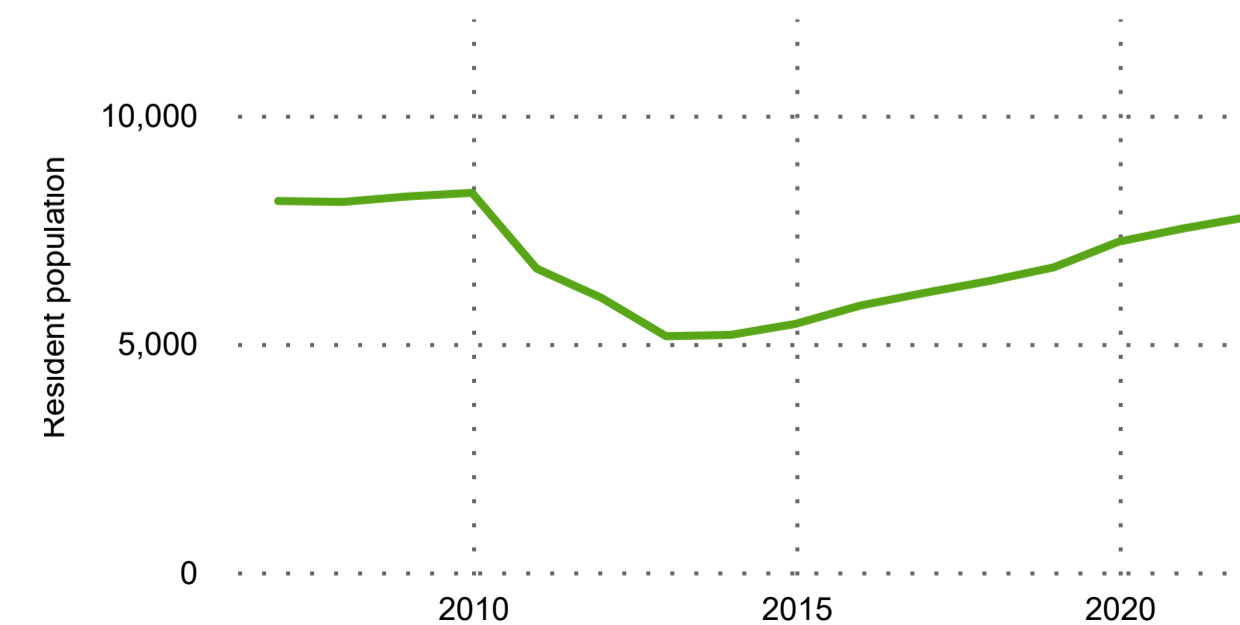


Retail spending growth, central city (Q1 2023 vs Q1 2021 & 2022)

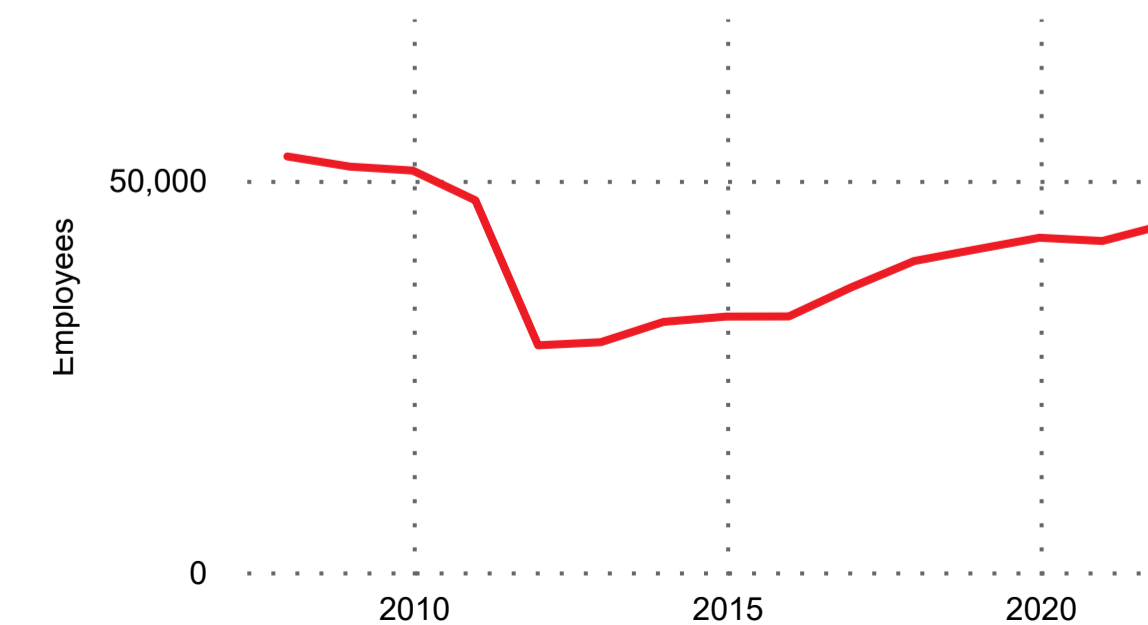
Spending growth	Apparel & Personal	Cafes, Restaurants & Bars	Fuel & Automotive	Groceries & Liquor	Home & Recreation Retail	Other Consumer Spending	Total
Value (vs Q1 2022)	21.4%	46.3%	8.4%	49.0%	28.0%	118.2%	42.9%
Transactions (vs Q1 2022)	20.1%	41.7%	21.7%	40.6%	44.9%	80.2%	41.0%
Value (vs Q1 2021)	22.8%	15.2%	20.3%	29.5%	8.4%	74.9%	22.4%
Transactions (vs Q1 2021)	16.3%	-1.4%	13.7%	11.4%	19.4%	43.9%	5.5%

Source: Marketview, ChristchurchNZ

Residents Living within Four Avenues (as at June)



Employees within Four Avenues (as at February)

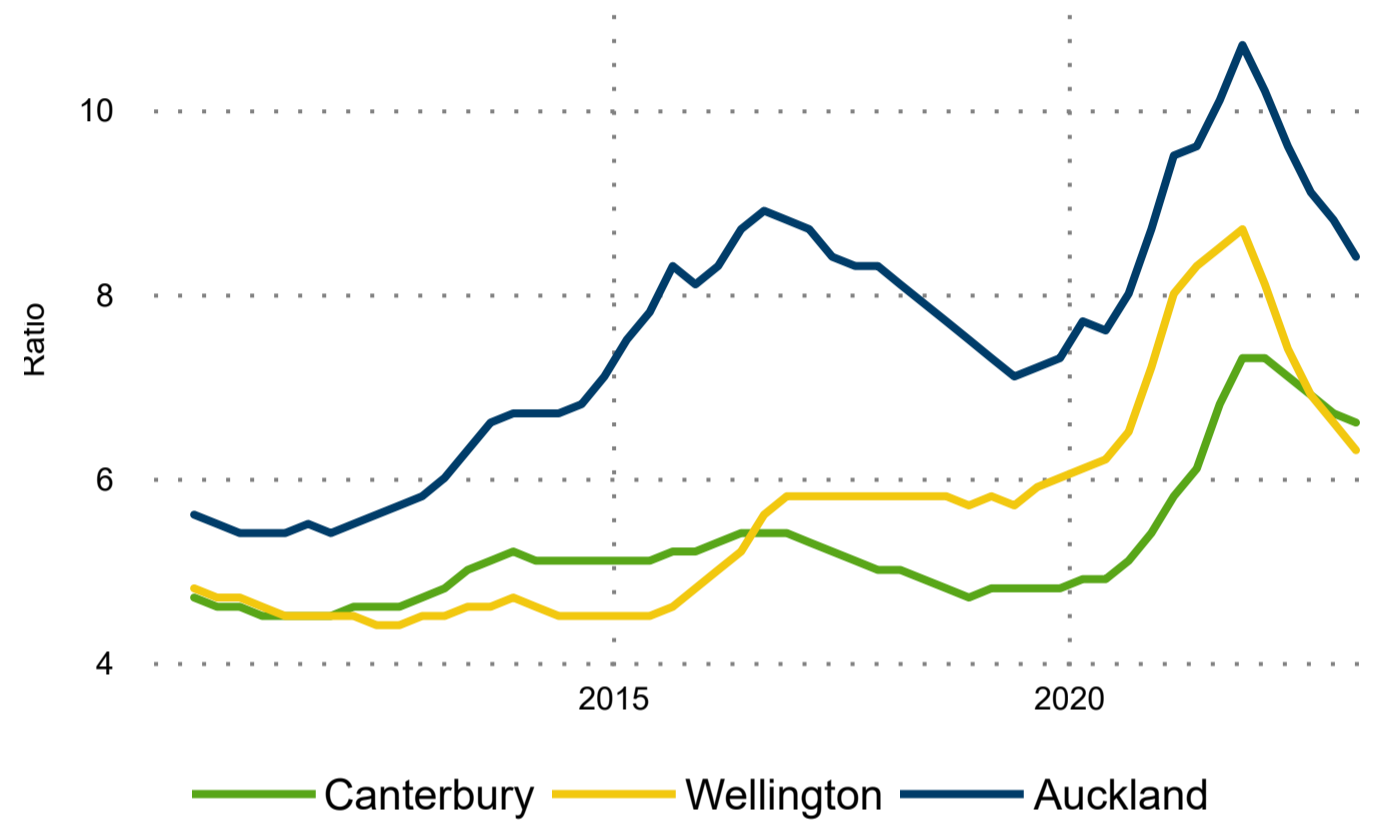


Source: Statistics NZ

Canterbury in context: regional comparison

The below graphs detail the performance of New Zealand's major metropolitan areas (Auckland, Canterbury and Wellington) over a range of housing and employment indicators. The region's strong employment offering and lower housing and rental prices continue to contribute to Christchurch's growing reputation as an attractive city to live and work in, a key drawcard for attracting skilled workers to the region.

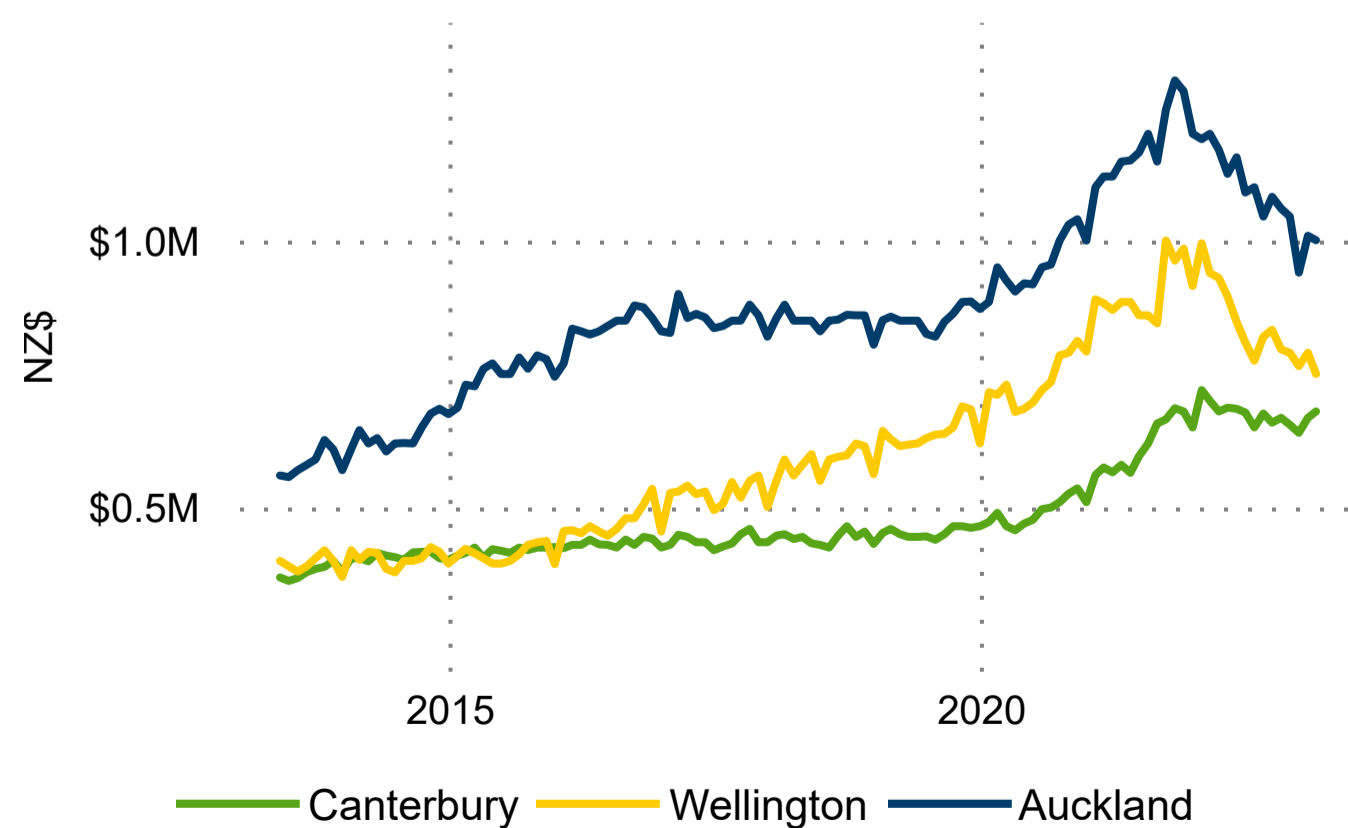
Housing Affordability by Region



- **Housing affordability** improved in all of the major regions during Q1 2023 as a result of falling house prices.
- On average, house prices were approximately 6.6 times annual incomes in the Canterbury Region during Q1.
- Wellington has experienced significant improvements in housing affordability. Rapidly falling house prices in the region have seen its affordability ratio fall from 8.7 (at its worst in Q4 2021) to 6.3 in Q1 2023.
- *Housing affordability compares average house prices with average annual employment earnings from filled jobs. A higher score indicates lower housing affordability.*

Source: Infometrics

Median House Price by Region

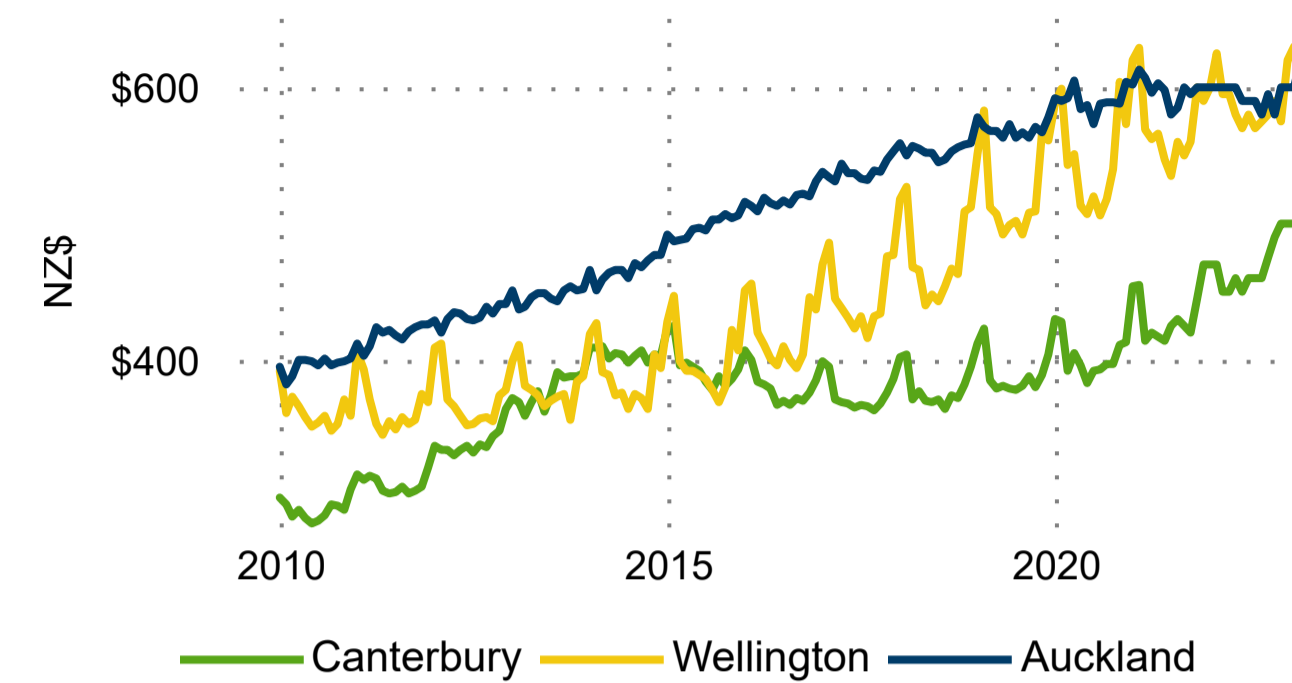


- **House prices** continued to decline in Auckland and Wellington during Q1 2023, while in Canterbury house prices stayed roughly in line with that of the previous quarter.
- On average during Q1, the median house price in Canterbury was \$663k, compared to \$768k in Wellington and \$983k in Auckland. This was the first quarter where Auckland recorded an average house price of less than \$1 million since Q3 2020.
- Compared to Q1 2022, house prices in Canterbury were down -4%, while in Auckland and Wellington prices declined -19 percent and -18 percent over the same period, respectively.
- The median house price in Canterbury was 33 percent lower than in Auckland and 14 percent lower than in Wellington during Q1 2023.

Source: REINZ

ChristchurchNZ

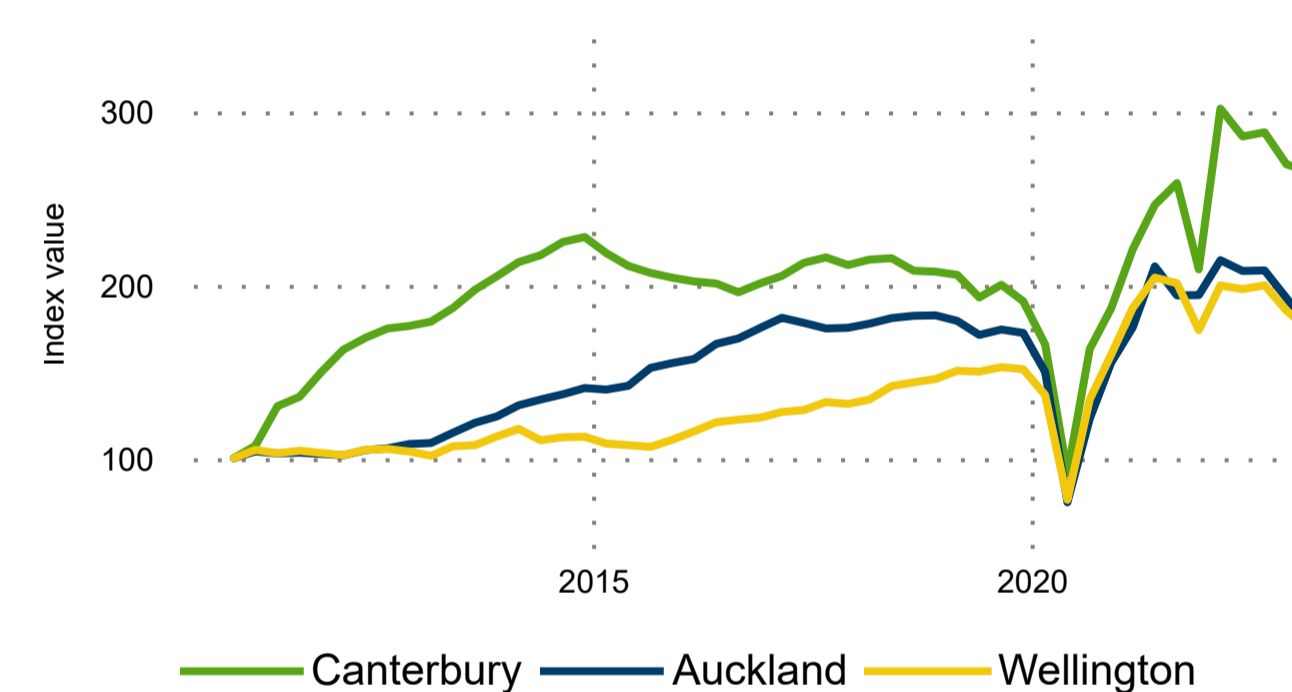
Median Weekly Rent by Region



- Median rental prices in Canterbury remained steady in Q1 2023 after rapid growth in the previous quarter, averaging at \$498. Median rent averaged at \$613 in Wellington and \$607 in Auckland over the same period.
- Compared to the same quarter in 2022, median weekly rent increased 7.6 percent in Canterbury, and 1.1 percent in both Wellington and Auckland.
- The lower cost of rent in Canterbury is equivalent to an average yearly saving of \$5,633 in rental costs compared to Auckland, and \$5,980 compared to Wellington.

Source: MBIE

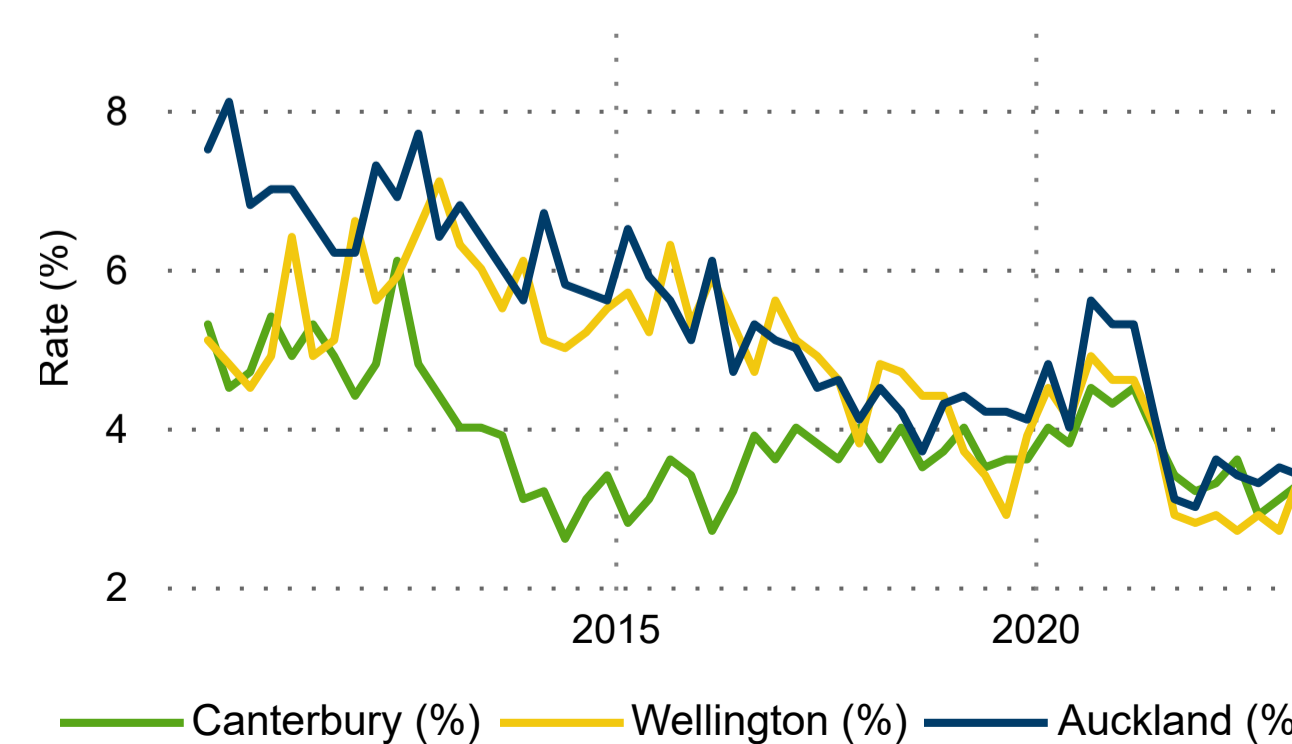
Jobs Online by Region (indexed to Dec. 2010)



- The number of **job vacancies** advertised online in Canterbury continued to drop back in Q1, but remained at an elevated level. Compared to the same quarter in 2022, job vacancies in Canterbury fell -12.0 percent.
- Vacancies in Auckland were -17.6 percent below Q1 2022 levels, while in Wellington they declined -12.7 percent over the same period.
- Declines in jobs online in Auckland have seen the number of advertised vacancies fall back to pre-pandemic levels. In Wellington, vacancies in Q1 2023 remained 16 percent above pre-COVID levels, while in Canterbury they remained 29 percent higher than Q1 2019.

Source: MBIE

Unemployment Rate by Region (unadjusted)



- The unadjusted **unemployment rate** in Canterbury increased from 3.1 percent in the previous quarter to 3.3 percent in Q1.
- Canterbury's unemployment rate in Q1 2023 sat just below that of Auckland and Wellington (with unemployment in each region at 3.4%)
- While unemployment has increased slightly across the regions, the number of people who are employed increased over the same period. This indicates that this rise in the unemployment rate is largely due to more people entering the labour force.

Source: Statistics NZ

Data sources

AirDNA: <https://www.airdna.co/>

ANZ: <http://www.anz.co.nz/commercial-institutional/economic-markets-research/>

BusinessNZ: <http://www.businessnz.org.nz>

Fresh Info: <https://freshinfo.shinyapps.io/ADPReporting/>

Infometrics Ltd: <http://www.infometrics.co.nz/>

Marketview: <https://marketview.co.nz/>

Ministry of Business, Innovation and Employment: <http://www.mbie.govt.nz/>

Real Estate Institute New Zealand: <https://www.reinz.co.nz/>

Reserve Bank of New Zealand: <https://www.rbnz.govt.nz/statistics>

Statistics New Zealand: <http://www.stats.govt.nz/> *This work is based on/includes Statistics New Zealand's data which are licensed by Statistics New Zealand for re-use under the Creative Commons Attribution 3.0 New Zealand licence.*

Westpac: <https://www.westpac.co.nz/>

For queries and feedback please contact:

Sophie Jones

Economic Analyst

Email: sophie.jones@christchurchnz.com

Want to know more?

We publish monthly economic insights briefs, and also have a dashboard containing quarterly data for key economic indicators.

[Explore our economic insights](#)