



# Canterbury Key Indicators

## JUNE 2009



### UNEMPLOYMENT

The unemployment rate for Canterbury for the March 2009 quarter was 4.6%. This was a significant increase from the December quarter (3.5%) but it was still better than the national unemployment rate of 5.6% (5.0% adjusted for seasonality). The Christchurch city unemployment rate was 5.2%; rural NZ is faring better.

Over the same period the participation rate for Canterbury decreased from 70.4% to 69.5%. The working age population increased however the labour force decreased. There may be people who would like to be working but have stopped seeking employment due to the current job shortages, these people are not included in the unemployed numbers.

Source: [Statistics New Zealand Household Labour Force Survey \(Table 6 cont \(3\)\)](#)



### EXCHANGE RATES

The average USD/NZD in May was 0.5989, compared to 0.5709 in April, a rise of 2.80 cents (4.9%).

The average TWI<sup>1</sup> was 58.0, compared to 56.9 in April. Our dollar has recovered slightly, increasing by 1.9% over the month but has fallen by 16.4% in the past year.

Source: [Reserve Bank of New Zealand B1 Exchange rates](#)

<sup>1</sup> The trade-weighted index (TWI) is a measure of the value of the New Zealand dollar (NZD) relative to the currencies of New Zealand's major trading partners. (RBNZ)



### RETAIL SALES

Seasonally adjusted March 2009 quarterly retail sales in Canterbury were up 0.3% from the December quarter. This is high compared to the national fall of 1.5% over the same period. However, seasonally adjusted sales during the March month fell by 1.2% from February, compared to the national fall of 0.4%

Source: [Statistics New Zealand Retail Trade Survey](#)



### REAL ESTATE SALES

The median house price for Christchurch recovered slightly in April, increasing from \$302,750 in March 2009 to \$317,500, a increase of \$14,750 (4.9%). Compared to April 2008 house prices have dropped by \$2,500 (0.8%).

The number of houses sold decreased from 758 in March to 667 in April, a decrease of 91 houses (12.0%). Compared to April 2008 the number of houses sold increased by 251 houses (60.3%).

Source: [REINZ Residential Market Report - April 2009.pdf](#)



### BUSINESS CONFIDENCE

Of the 1500 businesses surveyed in the National Bank Business Confidence Survey in May 2009, a net 1.9% of respondents expected general business conditions to improve over the year ahead, a significant improvement from the net 14.5% expecting general business conditions to deteriorate over the year ahead last month.

Source: [National Bank Business Outlook](#)



## INTEREST RATES

The official cash rate<sup>2</sup> was reduced by 50 basis points to 2.5% on 30 April 2009

Source: [Reserve Bank of New Zealand Official Cash Rate Decisions and Current Rate](#)

The average 90 day bank bill rate for May was 2.82%, compared with an average of 3.12% in April.

Source: [Reserve Bank of New Zealand B2 Wholesale Interest Rates](#)

The average 10-year Govt bond rate for May was 5.59%, compared with an average of 5.24% in April.

Source: [Reserve Bank of New Zealand B2 Wholesale Interest Rates](#)



## NET MIGRATION

In April 2009 Christchurch had 629 PLT<sup>3</sup> arrivals and 459 PLT departures, resulting in a net increase of 170 people, compared to a net increase of 49 people in March.

In April 2009 Canterbury had 789 PLT arrivals and 625 PLT departures, resulting in a net increase of 164 people to the region, compared to a net increase of 48 people in March.

Source: [Statistics New Zealand Permanent and Long Term Migration](#)

<sup>2</sup> The Official Cash Rate (OCR) is an interest rate set by the Reserve Bank to implement monetary policy, so as to maintain price stability.

<sup>3</sup> Permanent and long-term (PLT) arrivals include people who arrive in New Zealand intending to stay for a period of 12 months or more (or permanently), plus New Zealand residents returning after an absence of 12 months or more. Included in the former group are people with New Zealand residency, as well as students and holders of work permits. PLT departures include New Zealand residents departing for an intended period of 12 months or more (or permanently), plus overseas visitors departing New Zealand after a stay of 12 months or more.



## EXPORTS

Canterbury exports of overseas cargo<sup>4</sup> were worth \$490 million in April 2009. This was made up of Lyttelton (\$325 million), Christchurch Airport (\$96 million) and Timaru (\$69 million).

Source: [Statistics New Zealand Exports for Overseas Cargo](#)



## WHERE THIS ALL LEAVES US

Positivity is increasing in the Canterbury region; house prices are increasing, our unemployment rate is below the national average, businesses are more confident about the year ahead, and more people are finding Christchurch an attractive place to live.

## FEEDBACK AND SUGGESTIONS

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<sup>4</sup> Exports/Cargo Loaded - Overseas Cargo Export Statistics includes:

- 1) Merchandise Trade (but see exclusions).
- 2) Non merchandise trade i.e. goods being returned after repair or modification in New Zealand; goods on short-term loan or lease; and service transactions e.g. computer data tapes and drawings.
- 3) Other inclusions (not included in merchandise trade) - goods consigned to New Zealand forces or diplomatic representatives overseas; goods consigned for modification or repair; currency transactions in gold, silver and current coin; goods for foreign aid projects (second hand clothing only); replacements, short-shipped or short packed goods previously recorded; returnable containers e.g. used gas cylinders; returnable samples; aircraft spares being consigned overseas for use in New Zealand aircraft and unserviceable parts which have been removed from foreign aircraft being returned overseas; temporary trade items and tourist or travellers effects leaving New Zealand. (StatsNZ)