

Christchurch & Canterbury

Quarterly Economic Report
June 2022

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Economy	Employment	People & Housing	Business
<p>GDP Growth (YE Jun. 2022 vs. YE Jun. 2021)</p> <p>Christchurch: 2.7% ▲ Canterbury: 3.6% ▲ New Zealand: 0.9% ▲</p>	<p>Unemployment Rate (Q2 2022, Unadjusted)</p> <p>Christchurch: 3.9% ▲ Canterbury: 3.6% ▲ New Zealand: 3.2% ▼</p>	<p>Housing Affordability (Q2 2022) <i>Ratio of average house price to average incomes</i></p> <p>Canterbury: 7.1 ► New Zealand: 8.5 ▼</p>	<p>Retail Spending (Q2 2022 vs Q2 2021, Christchurch)</p> <p>Retail spend value: 4.2% ▲ Retail spend volume: -5.7% ▼</p>
<p>Balance of Trade (Q2 2022 vs Q2 2021, Christchurch)</p> <p>Exports: 6.7% ▲ Imports: 33.2% ▲ Balance of Trade: -16.5% ▼</p>	<p>Labour Force Participation Rate (Q2 2022)</p> <p>Christchurch: 70.7% ▼ Canterbury: 71.3% ▲ New Zealand: 70.5% ▼</p>	<p>Rental Affordability (Q2 2022) <i>Average rental costs as share of average household income</i></p> <p>Canterbury: 21.4 ▲ New Zealand: 22.2 ▲</p>	<p>Performance of Manufacturing Index (Q2 2022) >50: expansion; <50: contraction</p> <p>Canterbury: 48.9 ▼ New Zealand: 49.7 ▼</p>
<p>Economic Activity Index (June 2022 vs June 2021)</p> <p>Canterbury: -0.9% ▼ New Zealand: -0.7% ▼</p>	<p>Jobs Online (Q2 2022 vs Q2 2021)</p> <p>Canterbury: 16.3% ▲ New Zealand: 4.6% ▲</p>	<p>Residential Cost of Living (Christchurch, Q2 2022 vs. Q2 2021)</p> <p>Weekly Rent: 11.1%▲ (NZ: 5.2%▲) House Prices: 19.0%▲(NZ: 5.0%▲)</p>	<p>Performance of Services Index (Q2 2022) >50: expansion; <50: contraction</p> <p>Canterbury: 56.3 ▲ New Zealand: 52.7 ▲</p>
<p>Building Consents (Q2 2022 vs. Q2 2021)</p> <p>Christchurch: 11.0% ▲ Canterbury: 4.6% ▲ New Zealand: -2.6% ▼</p>	<p>Jobseeker Support Recipients (Q2 2022 vs Q2 2021)</p> <p>Christchurch: -12.5% ▼ Canterbury: -12.5% ▼ New Zealand: -10.2% ▼</p>	<p>Consumer Confidence (Q2 2022) <i>A score above 100 reflects a net positive response</i></p> <p>Canterbury: 77.8 (▼-18.6 points vs Q1 2022) New Zealand: 78.7 (▼-13.4 points vs Q1 2022)</p>	<p>Tourism (Christchurch, Q2 2022 vs. Q2 2021)</p> <p>Domestic Visitor Spending: - 5.9% ▼ International Visitor Spending: 10.1% ▲ Total Visitor Spending: - 4.1% ▼ International Visitor Arrivals: 49.6% ▲</p>

Economic Commentary

The June quarter was dominated by a weakening in local economic activity across a range of key indicators. In previous quarters, we have observed the Canterbury economy consistently outperforming the rest of New Zealand in certain measures. This was partly due to the comparatively delayed onset of widespread COVID infection in the region. More recently however, we have seen a shift in New Zealand's economic climate, and Canterbury has been no exception. Both local and national data for the June 2022 quarter paint a picture of record-low confidence, a reduced willingness to spend and invest, and ongoing pressure on the budgets of both households and businesses alike.

Positives

- Exports are an ongoing source of economic resilience Canterbury's economy. While world prices for agricultural products softened slightly from the previous quarter, they remained historically high during Q2 2022. This saw the value of exports from Christchurch ports sitting 6.7 percent above that of Q2 2021. This agricultural strength is expected to see Canterbury outperforming the other major metropolitan regions in the coming year, despite an anticipated slowdown in economic activity across New Zealand.
- The Performance of Services Index for Canterbury emerged from the contractionary slump observed in Q1 2022 to produce an expansionary score in every month of the June quarter, delivering a solid average score of 56.3 for the quarter.
- The availability of Jobs Online in Canterbury continued to present opportunities for jobseekers and employees during Q2 2022. The number of Jobs Online in Canterbury reached a new quarterly record in the June quarter, up 16.3 percent from the same time in 2021- well above the national growth rate of 4.6 percent over the same period. This availability of employment also provides a key drawcard for attracting talent to the region.

Headwinds

- Inflationary pressure continued to dominate the economic landscape during Q2 2022. The Consumer Price Index (CPI) annual inflation rate came in above expectations at 7.3 percent, a 32-year high. These price increases combined with the rising cost of servicing debt continue to burden household budgets.
- Indicators of Regional Economic Confidence and Consumer Confidence in Canterbury took an eye-watering hit during Q2 2022, with consumer confidence falling below GFC-levels of doom and gloom.
- Despite price increases inflating the overall value of retail spending in Christchurch, a decline in the number of transactions indicated that retail activity remained below that of the same time last year. Retail transactions during Q2 2022 fell -5.7 percent across Christchurch, and -3.4 percent in the central city from Q2 2021. Transactions at cafes, restaurants, bars and takeaways took the largest hit.
- Although somewhat late to the party, the housing market began to show signs of slowdown across Christchurch and Canterbury during Q2 2022. The median house price in Christchurch fell -0.4 percent in Q2 2022 from the previous quarter, and -0.9 percent across Canterbury. While these price declines appear minimal, we could see these accelerating in the coming year. House sales have fallen quickly, with the number sold in Christchurch during the June quarter down -27.3 percent from the same time last year.
- Contraction in the manufacturing sector was evident in the Performance of Manufacturing Index for Canterbury, falling below the national average to a quarterly score of 48.9. Supply issues remained the main constraint identified by manufacturing businesses.

ChristchurchNZ's Perspective

ChristchurchNZ

Storm clouds gathering

If the economic conditions of 2021 could be described in one word, it would be 'overheated'. Mid-way through 2022 and the bill has come due, in the form of hefty price increases and a tight-as-a-drum labour market. Efforts by the Reserve Bank to dampen the flame of inflation, as well as price increases themselves, have flowed through to impact on various sectors in the economy. Adding to these economic woes are ongoing labour supply constraints, which continue to limit capacity. The overriding theme for the June quarter has been one of slowing economic momentum, as higher interest rates and consumer prices place downward pressure on confidence and demand.

One of the largest shifts in momentum has taken place in the housing market, with declining house prices now in stark contrast to the eye-watering growth seen in 2021. How corrections in the local housing market play out over the next year will partly influence how Canterbury's economic performance tracks against the rest of New Zealand. Canterbury's housing market has so far been slower to show clear signs of a downturn compared to its North Island counterparts. In part, this is likely due to the fact that the ratio of house prices to incomes has been much lower in Canterbury than in Auckland and Wellington. However, housing affordability data for the June quarter shows the gap between housing affordability ratios in Canterbury and Wellington has shrunk considerably. Where the market lands and how this differs by region is yet to be seen. Movements in the housing market flow through to impact consumer demand even when people aren't looking to sell. This is because of the wealth effect, which is when homeowners feel richer when house prices are higher and are therefore more likely to spend, and vice versa. The wealth effect of falling house prices will accelerate the softening in consumer demand that arises from any further OCR increases. While rising interest rates impact homeowners across the country, the wealth effect of falling house prices has potential to introduce some variance by region.

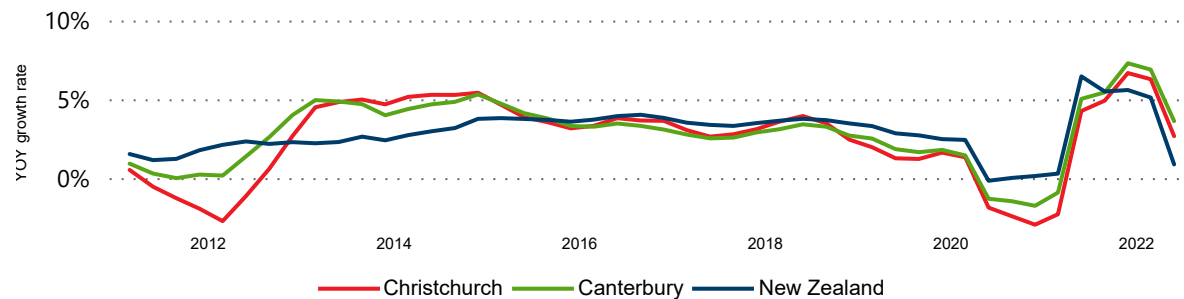
Looking through the fog

Despite slowing economic activity, New Zealand is expected to avoid recession. The reopening of New Zealand's borders seems to have come just in time, as tourism exports are expected to offset some of the impacts of reduced consumer demand. At the same time, demand for imports is expected to fall as local economic activity contracts. These two factors should have a positive impact on New Zealand's trade balance, providing a much-needed boost to GDP that sees through a narrow avoidance of a recession. However, the economy will still be walking a fine line. If the last two years have taught us anything, it's that forecasts don't always ring true. Trends in international visitor numbers could come in above or below what's anticipated, and are open to the influence of global economic conditions. Furthermore, the recent surprise in inflation figures have seen the Reserve Bank revising their forecast for the OCR upward, and we could see further revisions up or down. This will determine how much of a hit that demand and investment will take in the next few years. Watch this space.

Economy

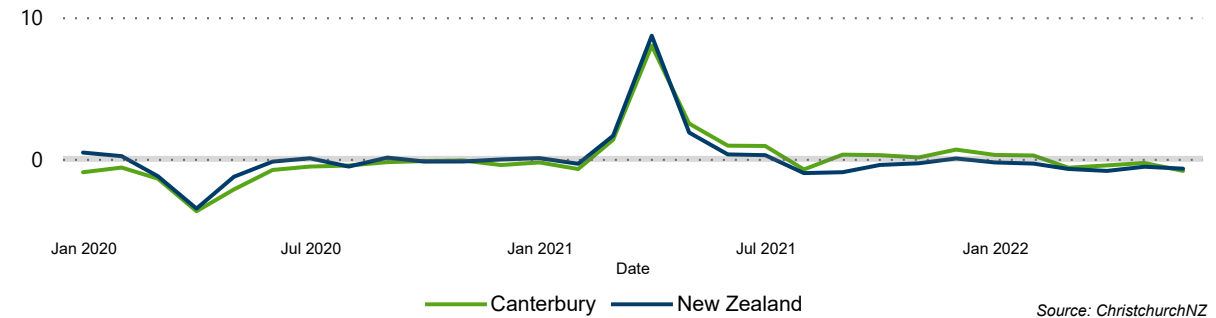
- The year-to-date **economic growth** of Christchurch increased 2.7 percent in the year to June 2022 compared to the previous 12-month period. Canterbury's year-to-date economic growth was higher at 3.6 percent, while annual economic growth across New Zealand as a whole was lower at 0.9 percent.
- The **Canterbury Economic Activity Indicator (CEAI)** is a monthly measure of weighted economic activity compared to historical trends. In June 2022 the CEAI was -0.9, while the national figure was -0.7. This indicates that weighted economic activity in Canterbury was -0.9 percent below that of June 2021, while economic activity across New Zealand was down -0.7 percent over the same period. June 2022 marked the first time in a year that the CEAI was below the national figure. Negative year-on-year growth took place in three components of the CEAI during June 2022- heavy traffic flows, export values, and the Performance of Manufacturing Index.
- **Building consents** in Christchurch fell -22.5 percent from the sky-high levels of the previous quarter during Q2 2022, but remained 11.0 percent above that of Q2 2021. The number of residential building consents issued during Q2 2022 slowed following record-breaking months in February and March, but remained 11.8 percent up from Q2 2021 in Christchurch and up 3.6 percent in Canterbury. Residential consent issuance across New Zealand as a whole was less resilient, falling -1.6 percent below that of Q2 2021. Despite strong performance during May, the number of non-residential consents issued in Christchurch during Q2 2022 fell -3.9 percent from the same quarter in 2021. Non-residential consent issuance increased by 14.7 percent in Canterbury and fell -11.6 percent across New Zealand over the same period.
- New Zealand's **Consumer Price Index (CPI)** annual inflation rate hit a 32-year high of 7.3 percent during Q2 2022, driven largely by rising construction costs (up 18.0%) and rental prices (up 4.3%). June 2022 marked the fifth consecutive quarter in which the annual inflation rate was above the RBNZ's target band of 1-3 percent.
- Canterbury **Regional Economic Confidence** plunged further into net negative territory in Q2 2022 with a score of -17, an 11 percentage point drop from the previous quarter. Economic confidence reflects the difference between the percentage of households expecting regional economic conditions to improve and those expecting prospects to worsen over the next year, with a negative score indicating a net pessimistic response.

Economic Growth (year-to-date)



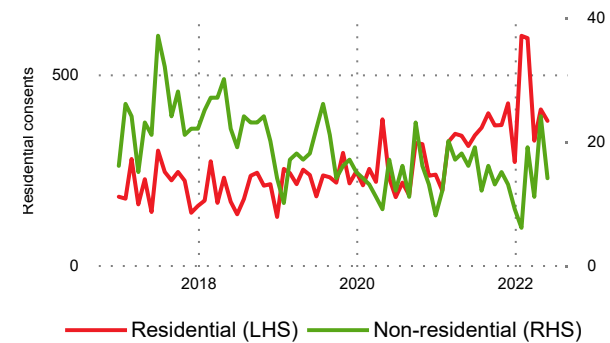
Source: Infometrics, ChristchurchNZ

Canterbury Economic Activity Indicator (CEAI)



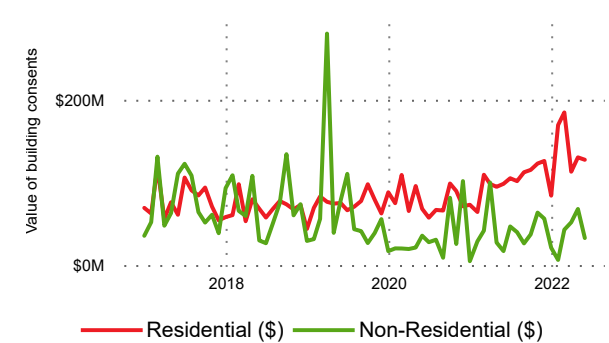
Source: ChristchurchNZ

Number of Building Consents Issued (Christchurch)



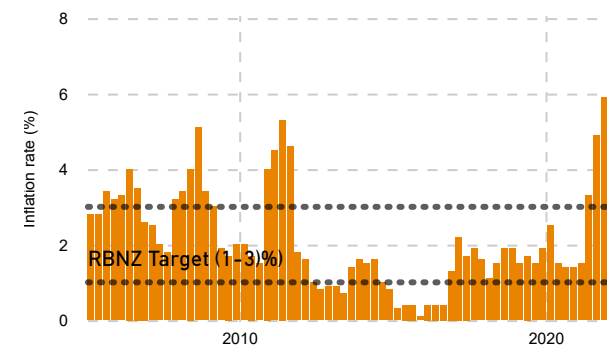
Source: Statistics New Zealand, ChristchurchNZ

Value of Building Consents Issued (Christchurch)



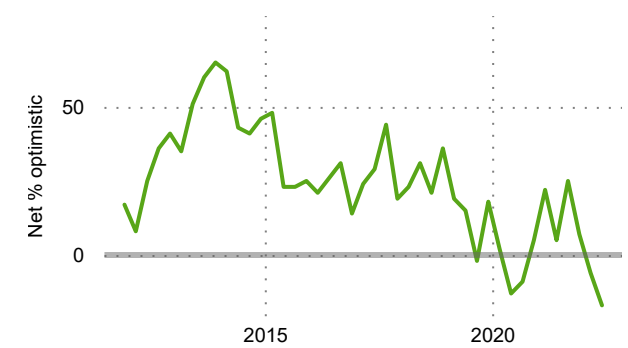
Source: Statistics New Zealand, ChristchurchNZ

CPI Inflation Rate (%)



Source: Reserve Bank of New Zealand

Regional Economic Confidence (Canterbury)

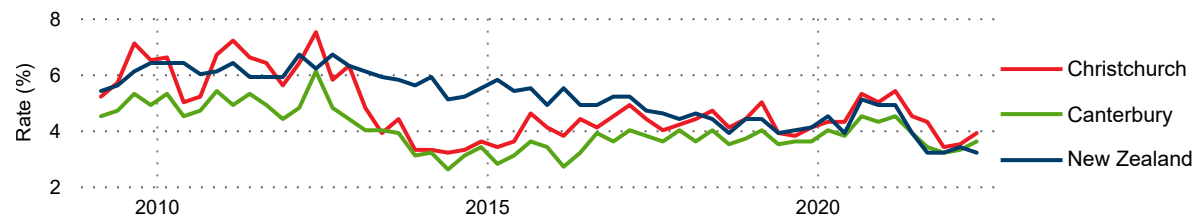


Source: Westpac McDermott Miller, ChristchurchNZ

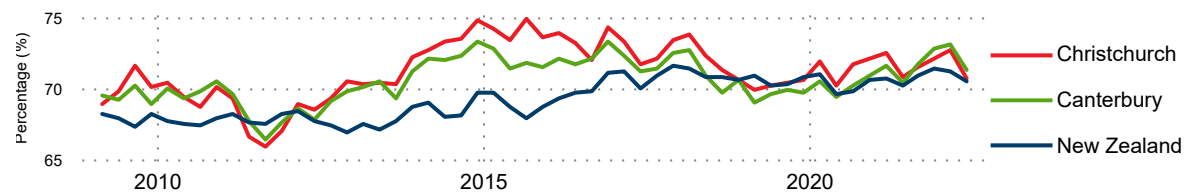
Employment

- Christchurch's unadjusted **unemployment rate** increased from 3.5 percent in the previous quarter to 3.9 percent in Q2 2022. The number of unemployed people in Christchurch increased by approximately 5.9 percent compared to the March 2022 quarter, but declined -15.1 percent from that of Q2 2021.
- The **labour force participation rate** fell in Q2 2022, to 70.7 percent in Christchurch and 71.3 percent in Canterbury (from rates of 72.7% and 73.1% in the previous quarter, respectively). The size of Christchurch's labour force fell by 7,400 people from the March 2022 quarter, while Canterbury's labour force increased by 9,600 people over the same period.
- The number of **jobs advertised online** in Canterbury remained heightened during Q2 2022, increasing 1.3 percent from the previous quarter to hit another quarterly record. The number of jobs advertised online was 16.3 percent higher than that of Q2 2021.
- Canterbury's year-on-year **job vacancy growth by industry** was highest in the hospitality sector (up 35.2%), followed by IT (up 32.5%), health (up 25.7%) and manufacturing (up 25%) compared to Q2 2021. Compared to the March 2022 quarter, job vacancies fell in construction (-8.9%), education (-6.2%), sales (-3.1%) and manufacturing (-1.4%). All other industries experienced an increase in vacancies from the previous quarter.
- In Q2 2022, the number of people receiving **Jobseeker support** decreased compared to the same quarter in 2021, by -12.5 percent in both Christchurch and Canterbury, and by -10.2 percent across New Zealand. The number of Jobseeker support recipients was 31.6 percent higher than pre-COVID levels (Q2 2019) in Christchurch, compared to 33.8 percent higher in Canterbury and 25.3 percent higher across New Zealand.

Unemployment Rate (unadjusted)

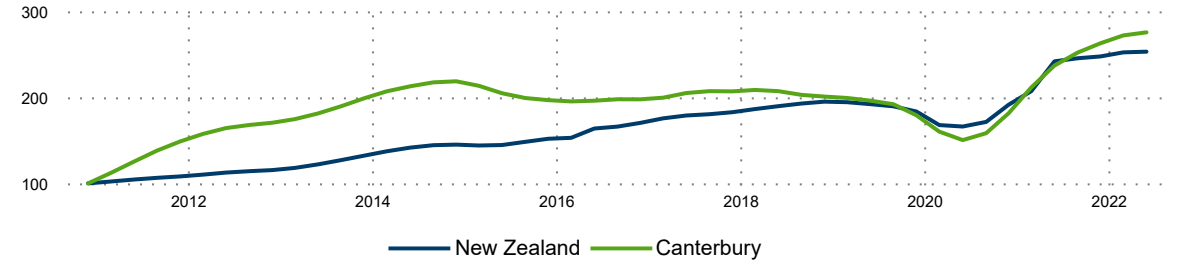


Labour Force Participation Rate



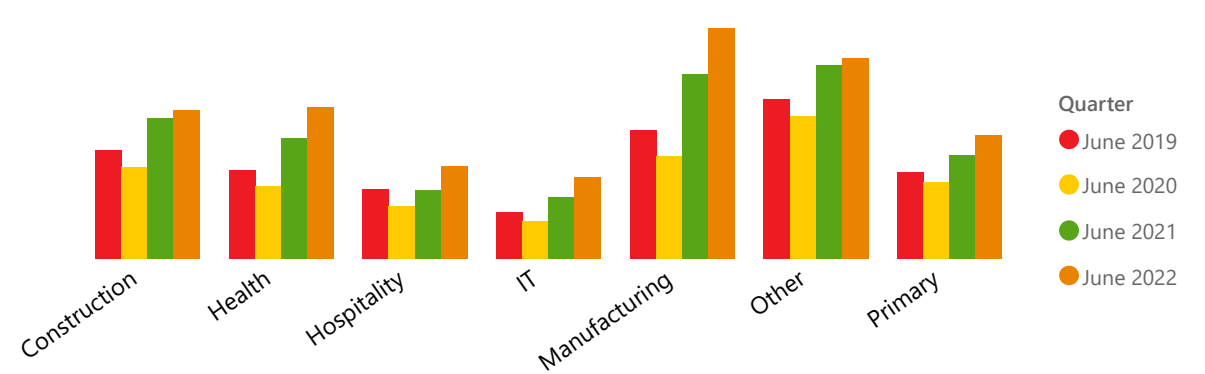
Source: Statistics New Zealand, ChristchurchNZ

Jobs Online (unadjusted, indexed to Dec. 2010)



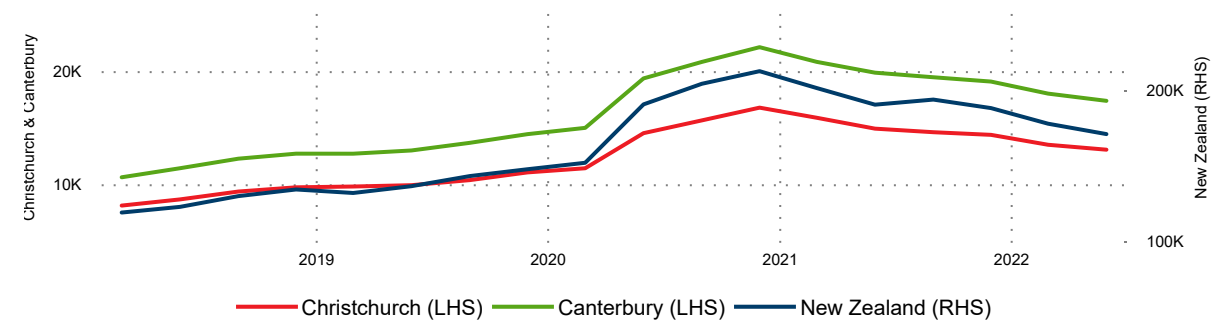
Source: MBIE

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



Source: MBIE

Jobseeker Support Recipients

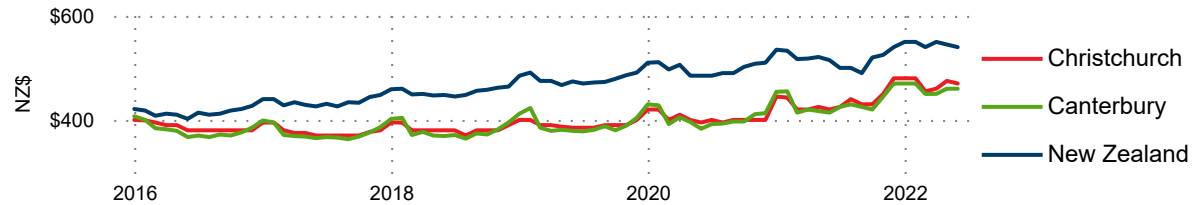


Source: MSD

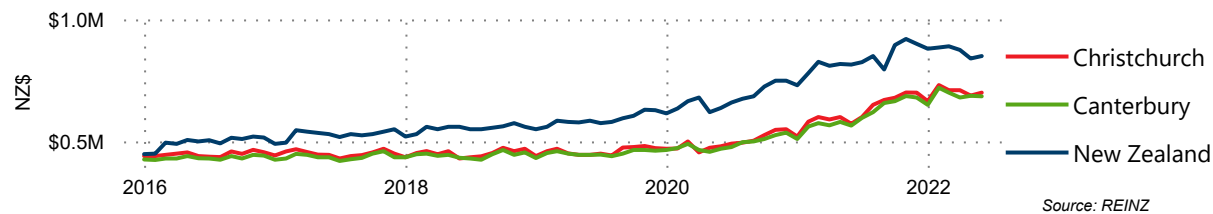
People & housing

- Growth in **rental prices** cooled slightly during Q2 2022, falling from the previous quarter by -0.7 percent in Christchurch and -1.4 percent across Canterbury. Despite this, median weekly rents remained at heightened levels compared to Q2 2021. Compared to Q2 2021, median weekly rents increased across Christchurch, Canterbury and New Zealand (at rates of 11.1%, 9.5% and 5.2%, respectively). Based on June 2022 average rental prices, annual rental costs were equivalent to 20.4 percent of annual incomes in Christchurch.
- Down from their February 2022 peak, average **house prices** in Christchurch declined by -0.4 percent in Q2 2022 from Q1 2022. House prices fell across New Zealand as a whole by -3.4 percent over the same period. Compared to the same quarter last year, the average house price during Q2 2022 was up 19.0 percent in Christchurch, 20.2 percent in Canterbury and 5.0% across New Zealand.
- The **number of residential mortgage loans** issued across the country during Q2 2022 was considerably lower than a typical June quarter. Just over 45,500 residential mortgages were issued during Q2 2022. This was -42 percent lower than the 78,400 mortgages that were issued on average during Q2 from 2015-2021. Compared to the same quarter in 2021, the largest decline in borrowers occurred among 'other owner occupiers', (i.e. those not buying their first home), with -43 percent less mortgages issued than during Q2 2021. Mortgages issued to investors fell by -41 percent over the same period, followed by first-home buyers (-37%) and businesses (-30%).
- **Consumer confidence** plummeted across the board during Q2 2022, dropping to the lowest level on record since surveying began in 1988. This rapid deflation in confidence is linked to the impact of rising interest rates and record-high inflation on household budgets, along with expectations that these conditions will continue to pinch over the near future. Consumer confidence in Canterbury fell 18.6 points from the previous quarter to 77.8 in Q2 2022, while New Zealand consumer confidence scraped in only slightly higher at 78.7.

Median Residential Weekly Rent

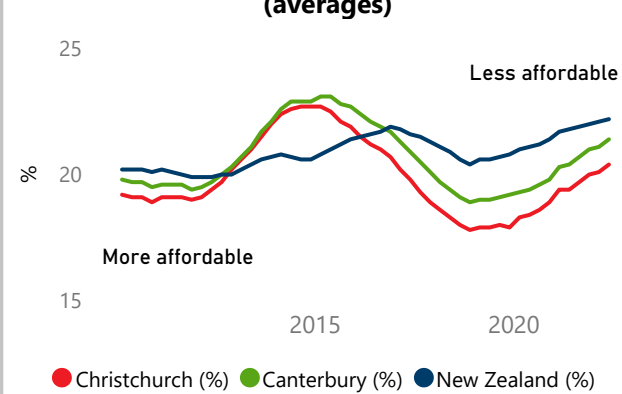


Median House Price

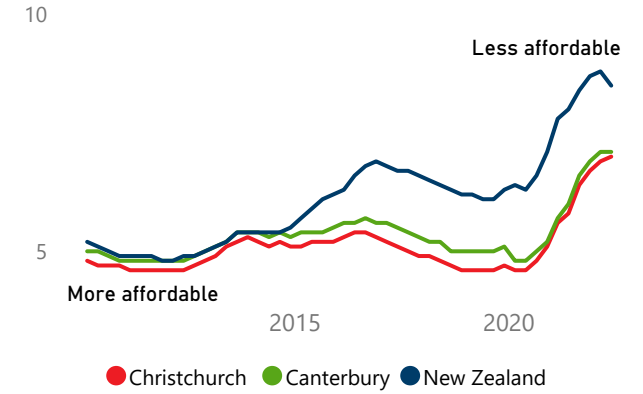


ChristchurchNZ

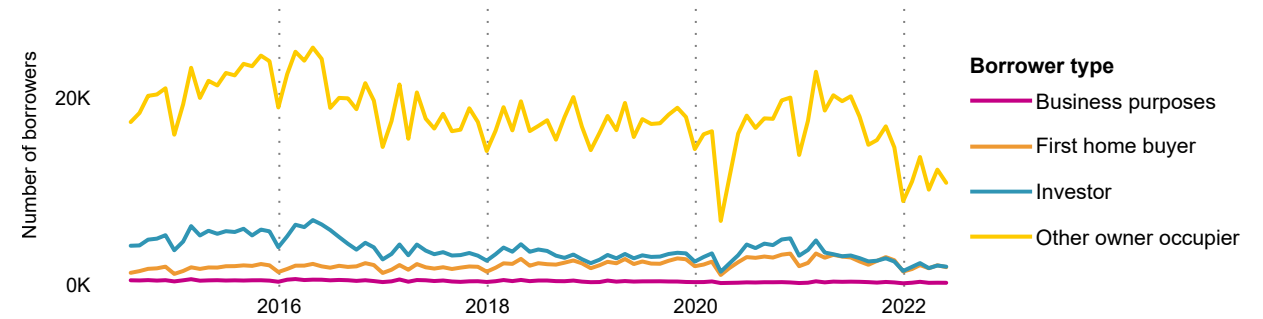
Annual Rent as Share of Household Incomes (averages)



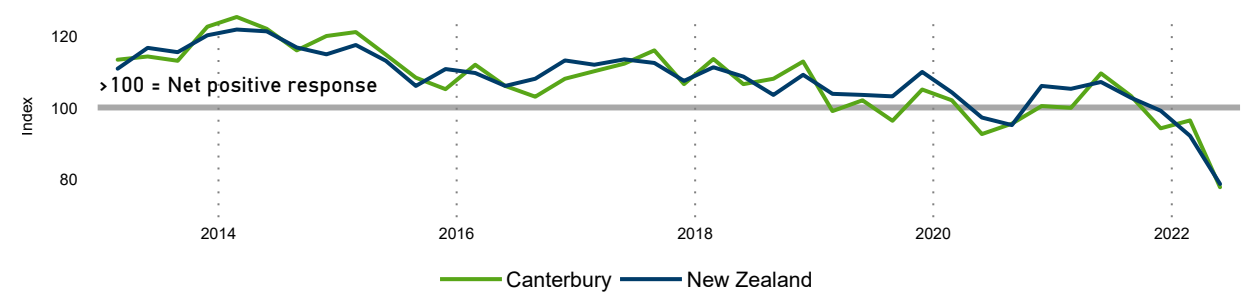
House Price to Income Ratio (averages)



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



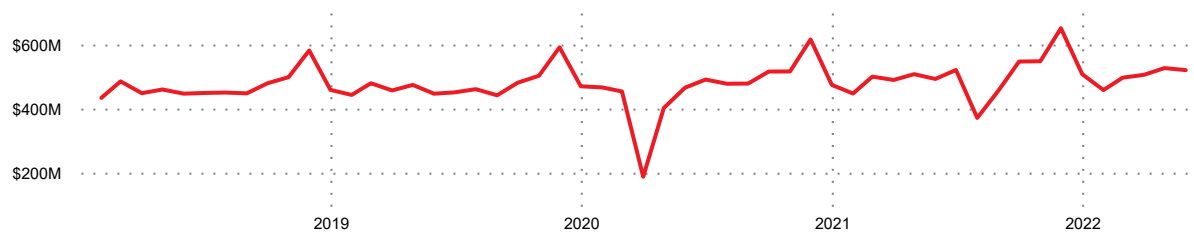
Consumer Confidence



Business

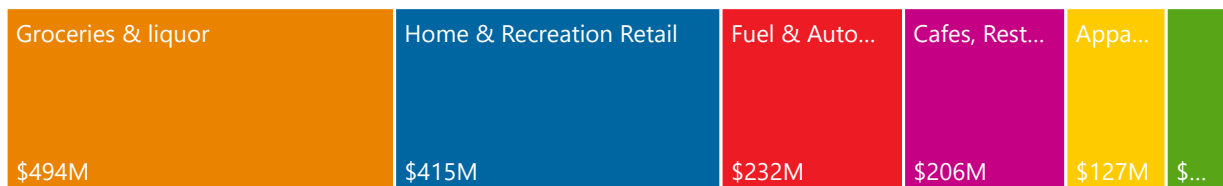
- The value of **retail spending** in Christchurch increased by 4.2 percent in Q2 2022 compared to the same quarter in 2021. However, the number of transactions (i.e. the volume of spending) declined by -5.7 percent over the same period. This indicates that price inflation partially offset the impact of a reduction in transactions during Q2 2022.
- Four of the six spend categories saw positive growth in the value of retail spending compared to the same time last year. Meanwhile, only two of the six spend categories also experienced positive growth in the number of transactions over the same period (fuel & automotive, and apparel & personal). Transactions at cafes, restaurants, bars and takeaways saw the largest reduction in transaction numbers, falling -12.8 percent compared to Q2 2021.
- The value of **exports** from Christchurch ports registered a 6.7 percent increase in Q2 2022 from the same quarter in 2021. **Imports** also increased over the latest quarter, with imports for Q2 2022 up 33.2 percent from the same time last year. Despite this rise in imports, Christchurch's trade balance remained net positive. However, the trade balance shrunk by -16.5 percent compared to that of the same quarter in 2021.
- The unadjusted **Performance of Manufacturing Index (PMI)** for Canterbury fell into contraction during Q2 2022, with an average quarterly score of 48.9. New Zealand's manufacturing sector also dipped into contractive territory, albeit with a slightly higher PMI of 49.7. Labour shortages and other supply-side challenges continued to dominate industry concerns during Q2 2022.
- Meanwhile, the unadjusted **Performance of Services Index (PSI)** for Canterbury/Westland increased compared to the previous quarter, rising to a quarterly average of 56.3. New Zealand recorded an average PSI score of 52.7 during Q2 2022. These PSI scores indicate that the services sector bounced back into expansion during Q2 2022 following a dip in Q1 2022.

Value of Retail Spending, Christchurch



Source: MarketView

Retail Spending by Category, Christchurch (Q2 2022)



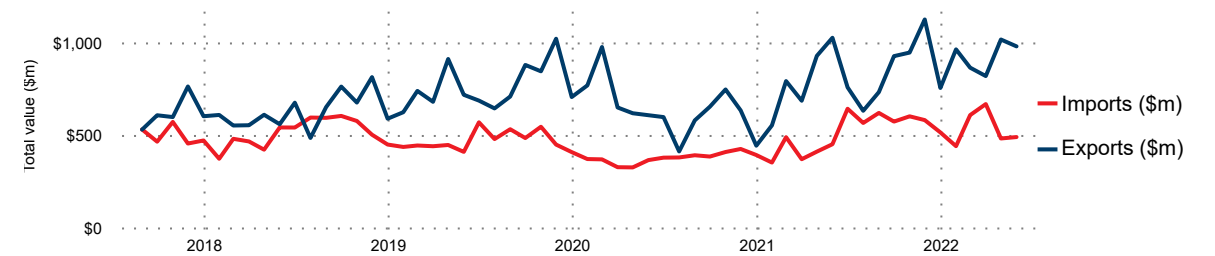
Source: MarketView

Retail Spending Change, Christchurch (Q2 2022 vs Q2 2021)

Change	Fuel & Automotive	Other Consumer Spending	Groceries & Liquor	Apparel & Personal	Total	Home & Recreation Retail	Cafes, Restaurants, Bars, Takeaways
Value	24.7%	10.9%	4.8%	4.4%	4.2%	-1.3%	-6.3%
Transactions	2.5%	-6.8%	-4.8%	2.8%	-5.7%	-1.5%	-12.8%

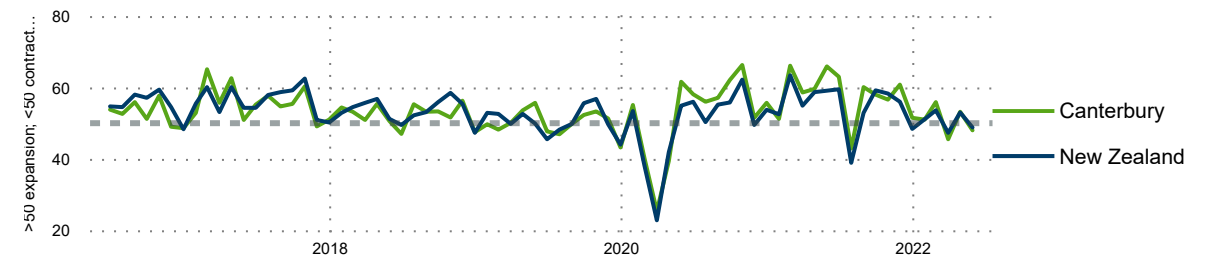
Source: MarketView

Christchurch Ports: Value of International Trade

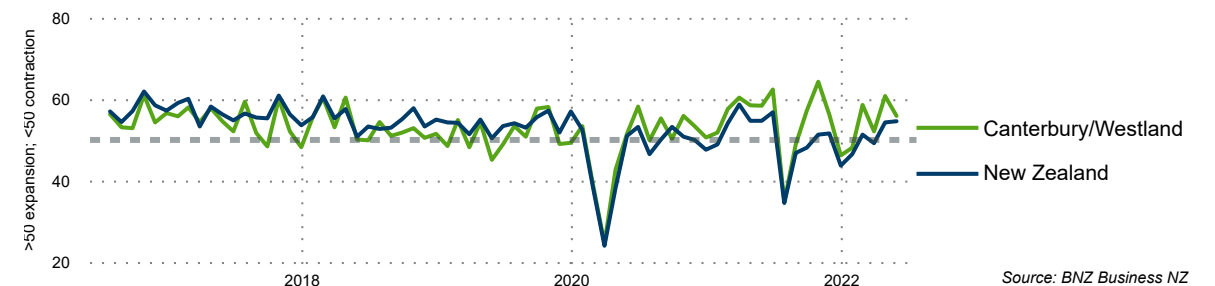


Source: Statistics NZ

Performance of Manufacturing Index



Performance of Services Index

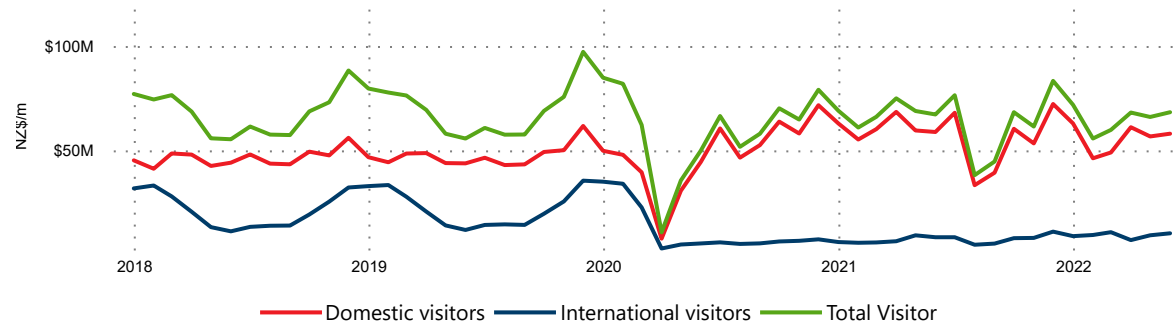


Source: BNZ Business NZ

Visitors

- While **visitor spending** in Christchurch increased during Q2 2022 from the previous quarter, the effects of Omicron continued to subdue domestic travel compared to the same time last year. Visitor spending in Christchurch fell -4.1 percent compared to Q2 2021, despite a 10.1 percent increase in international visitor spending over the same period. This decline was largely driven by a reduction in spending by domestic visitors, which fell -5.9 percent or \$11 million compared to Q2 2021.
- Visitor spending in Christchurch declined among tourists from most domestic regions, with the exception of Marlborough, West Coast, Tasman and Hawkes Bay (compared to the same quarter in 2021). Meanwhile, international visitor spending has experienced a small uplift in recent quarters following the relaxation of some border restrictions and removal of MIQ requirements. The largest increase in international visitor spending in Christchurch compared to Q2 2021 occurred among visitors from the USA.
- The average **occupancy rate** for Christchurch Airbnb's was 54 percent during Q2 2022, unchanged from the previous quarter and an increase of six percentage points from Q2 2021. The average occupancy rate for commercial accommodation increased seven percentage points from the previous quarter to 47 percent in Q2 2022, which was just below that of the same quarter in 2021.
- **Passenger movements** through Christchurch airport (all arrivals and departures for international and domestic flights) during Q2 2022 were down -4 percent compared to the same quarter in 2021. International visitor movements increased by 113 percent compared to Q2 2021, while domestic passenger movements fell by -10 percent over the same period.
- Following a loosening of border restrictions in early May, there were just under 30,000 **international visitor arrivals** at Christchurch airport during Q2 2022, up from just 5000 arrivals in the previous quarter. This was equivalent to just under one-third of pre-COVID levels for Q2. 57 percent of arrivals were visiting friends and relatives, and 77 percent were from Australia. Visitor arrivals at Christchurch Airport made up 13.5% of international visitors to New Zealand during Q2 2022.

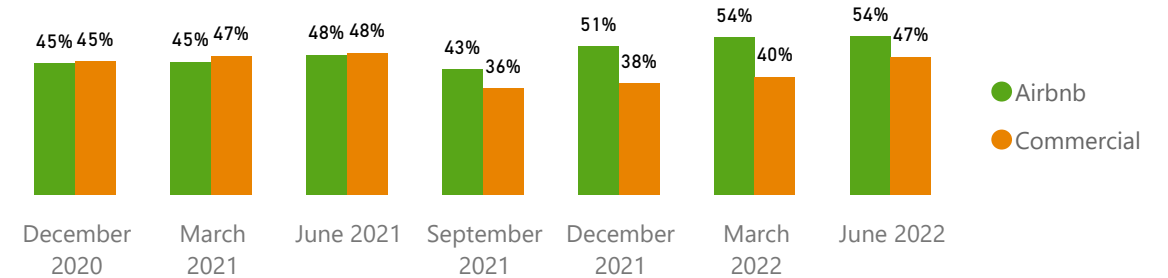
Visitor Spending in Christchurch



Source: Electronic Card Transactions, MarketView

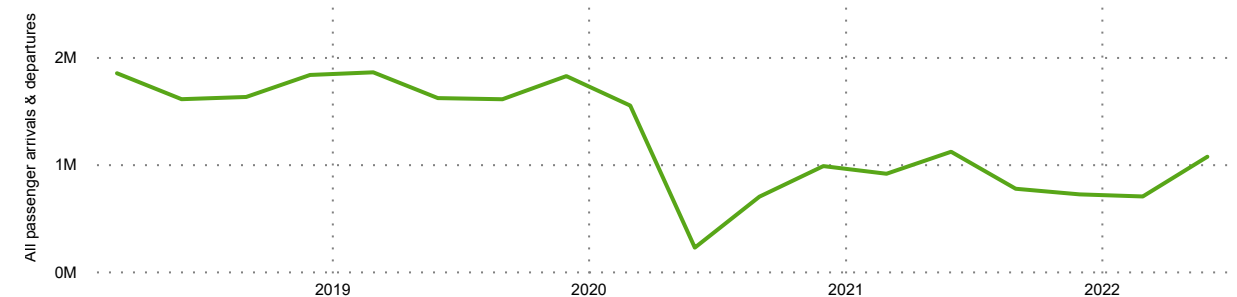
ChristchurchNZ

Average Occupancy by Accommodation Type, Christchurch (quarterly average)



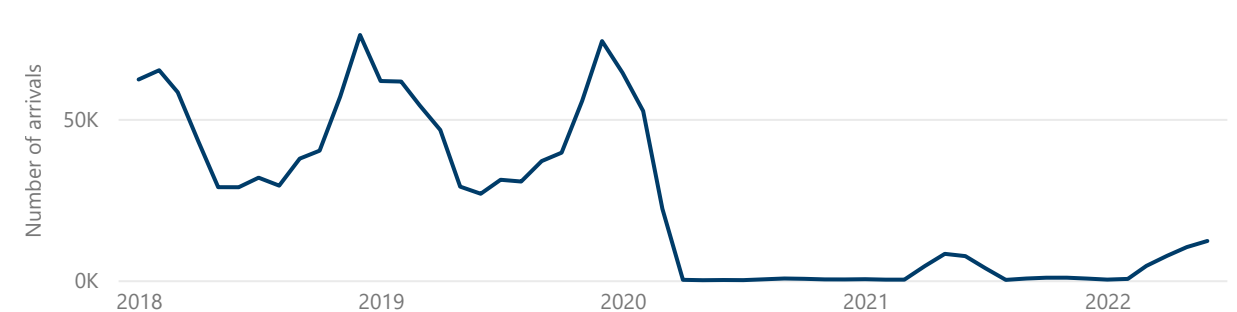
Source: AirDNA, FreshInfo, ChristchurchNZ

Passenger Movements, Christchurch Airport (arrivals & departures)



Source: Christchurch International Airport, ChristchurchNZ

International Visitor Arrivals, Christchurch Airport

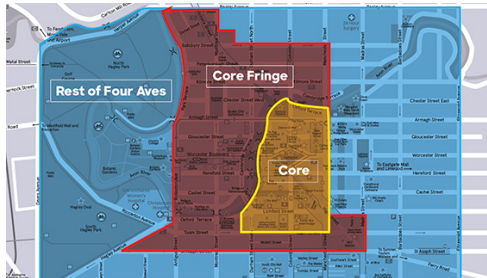


Source: Statistics New Zealand, ChristchurchNZ

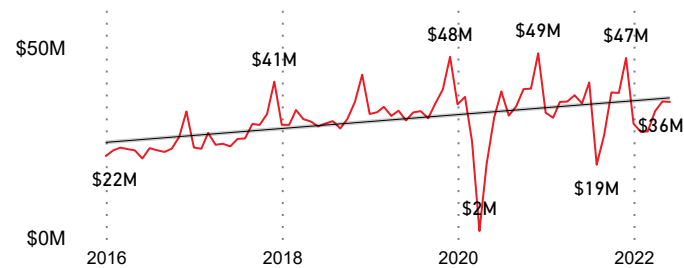
Central City

- '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 (incl. fuel) increased in Q2 2022 from the previous quarter, but remained -3.4 percent below that of the same quarter in 2021. The number of retail spend transactions within the central city fell by -15.1 percent over the same period.
- Spending at cafes, restaurants, bars and takeaways in the central city experienced the largest decline during Q2 2022 compared to the same time last year, both in terms of the value of spending (-10.9%) and the number of transactions (-19.2%). Apparel & personal was the only category to experience an uplift in both the value and volume of spending compared to Q2 2021.
- Retail spending by residents** of Christchurch in the central city (excluding fuel) fell during Q2 2022 compared to Q2 2021, in terms of both value of spending (-4.6%) and the number of transactions (-16.5%). Spending by **domestic visitors** in the central city also fell compared to the same quarter last year, with spending by those from the rest of Canterbury and the rest of New Zealand declining at rates of -7.8 percent and -9.1 percent, respectively. **International visitor expenditure** within the central city increased over the same period, with spending by Australians up 10.3 percent and spending by other international visitors up 22.3 percent.
- The number of people **living in the Four Avenues** continued to increase in 2021 from 2020, with the Four Avenues population up 12.1 percent from 2020. The number of **employees in the Four Avenues** decreased slightly (-1%) over the same period. This is likely linked to the concentration of visitor industry-related businesses in the central city, which have experienced significant downturns in business due to COVID-19. *Figures for 2022 are expected to be released in October.*

City Map



Retail Spending, Central City



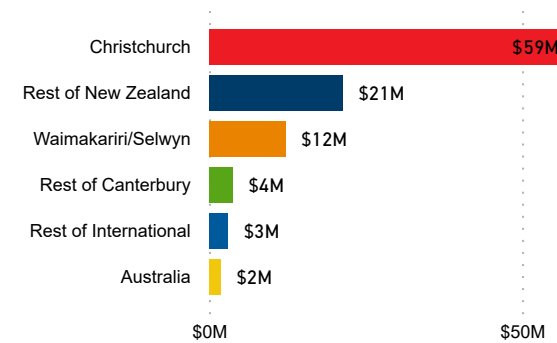
Retail Spending Change, Central City (Q2 2022 vs Q2 2021)

Change	Apparel & Personal	Other Consumer Spending	Fuel & Automotive	Total	Home & Recreation Retail	Groceries & liquor	Cafes, Restaurants, Bars, Takeaways
Value	9.0%	7.1%	6.9%	-3.4%	-6.0%	-6.6%	-10.9%
Transactions	4.4%	-16.6%	-8.8%	-15.1%	-6.2%	-12.4%	-19.2%

Source: MarketView, ChristchurchNZ

ChristchurchNZ

Central City Retail Spend by Customer Origin (excl. fuel), Q2 2022

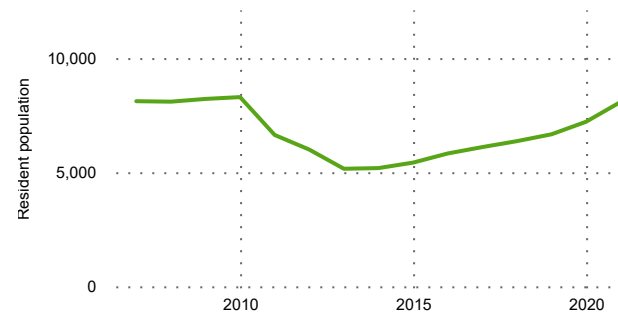


Central City Retail Spend by Category, Q2 2022

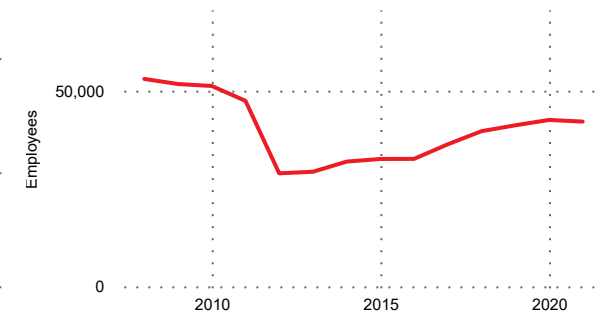


Source: Marketview, ChristchurchNZ

Residents Living within Four Avenues (as at June)

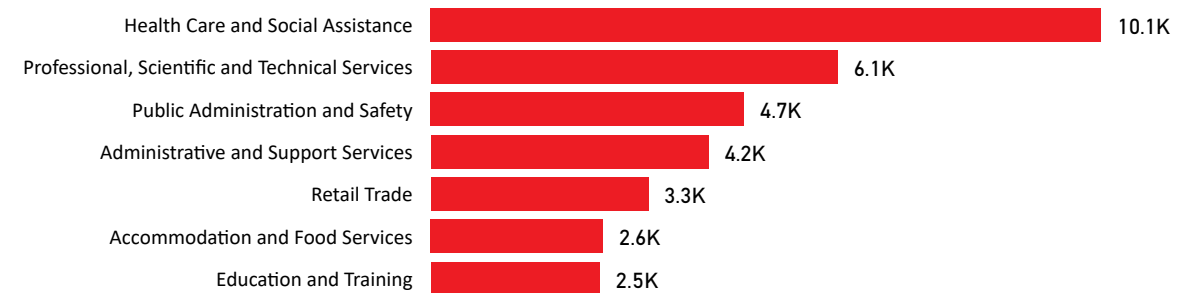


Employees within Four Avenues (as at February)



Source: Statistics NZ

Employees within Four Avenues by Industry, 2021 (largest industries by employee count)



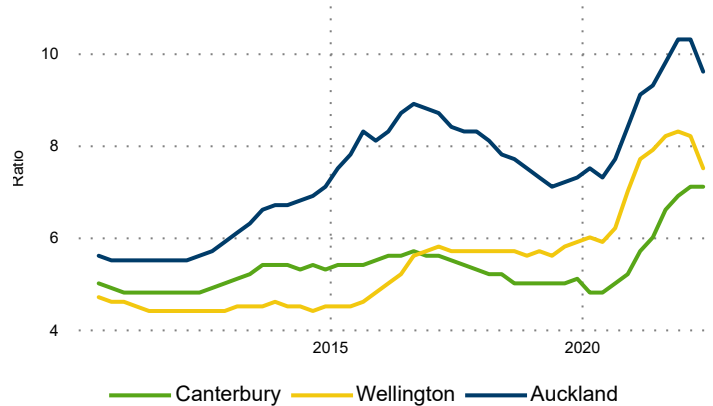
Source: Statistics NZ

Canterbury in context: regional comparison

The below graphs compare the performance of New Zealand's major metropolitan areas (Auckland, Canterbury and Wellington) over a range of housing and employment indicators. Canterbury continues to outperform Auckland and Wellington across key housing affordability metrics. This contributes to Christchurch's growing reputation as an attractive city to live and work in, a key drawcard for attracting skilled workers to the region.

ChristchurchNZ

Housing Affordability by Region

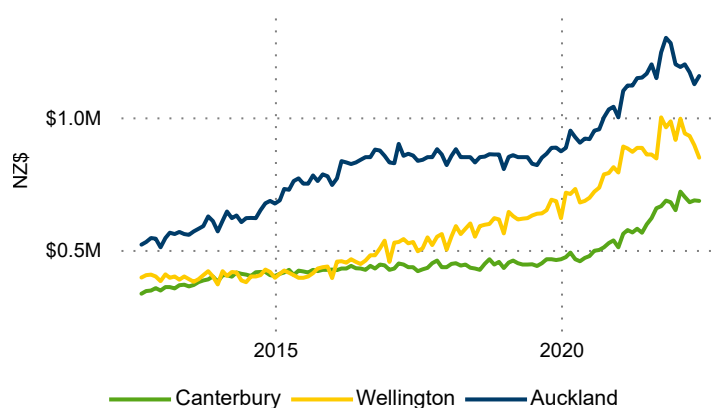


- **Housing affordability** improved in Wellington and Auckland during the June 2022 quarter, due to falling house prices.
- In Canterbury, where house price declines were smaller, housing affordability remained unchanged from the previous quarter.
- On average, house prices were approximately 7.1 times the average annual income in Canterbury, compared to 7.5 in Wellington and 9.6 in Auckland.

Housing affordability compares average house prices with average annual employment earnings from filled jobs. A higher score indicates lower housing affordability.

Source: Infometrics

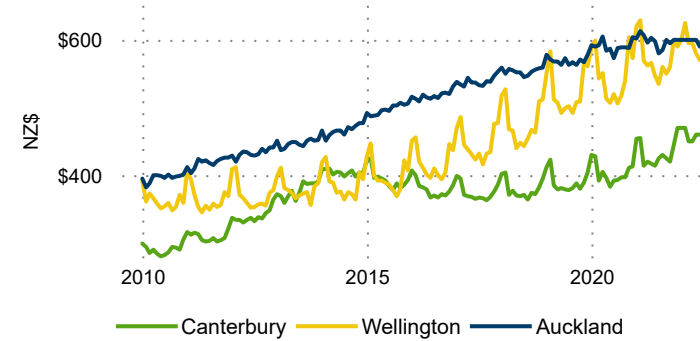
Median House Price by Region



- **House prices** declined from the previous quarter across all three major regions during Q2 2022.
- The rate of decline was fastest in the Wellington region at -6.2 percent, followed by Auckland (-3.9%) and Canterbury (-0.4%).
- While Canterbury's median house price remained well above that of the same quarter in 2021 (up 19.0%), margins in Auckland and Wellington were smaller (up 1.0% and 1.3%, respectively).
- On average during Q2 2022, the median house price in Canterbury was 40 percent lower than in Auckland and 23 percent lower than in Wellington.

Source: REINZ

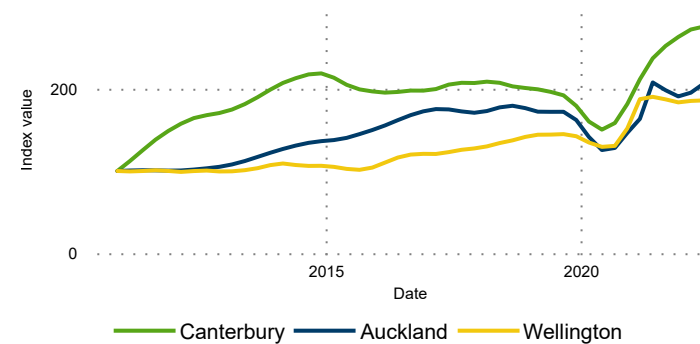
Median Weekly Rent by Region



- Despite YOY growth in median **rental prices**, comparatively lower rent continues to contribute to Canterbury's affordability profile.
- On average during Q2 2022, mean weekly residential rent was \$456 in the Canterbury region, compared to \$580 in Wellington and \$596 in the Auckland region.
- This is equivalent to an average yearly saving of \$6,240 in rental costs in Canterbury compared to Auckland, and \$5,200 compared to Wellington.

Source: MBIE

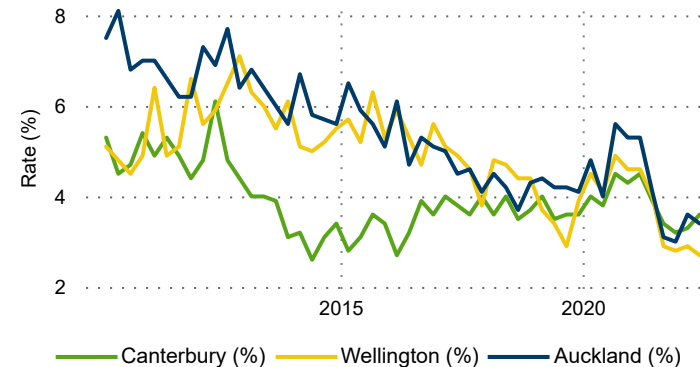
Jobs Online by Region (indexed to Dec. 2010)



- The number of **job vacancies** advertised online in Canterbury hit a new record in Q2 2022, increasing 1.3 percent from the March quarter.
- Vacancies in Canterbury were up 16.3 percent from the same quarter in 2021.
- Meanwhile, vacancies in both Auckland and Wellington fell slightly compared to the same time in 2021. Vacancies in Auckland fell -0.7 percent from Q2 2021, while vacancies in Wellington declined -2.3 percent over the same period.

Source: MBIE

Unemployment Rate by Region (unadjusted)



- The unadjusted **unemployment rate** in Canterbury increased from 3.3 percent in Q1 2021 to 3.6 percent in Q2 2022.
- Canterbury's unemployment rate in Q2 2022 was above that of both Auckland (3.4%) and Wellington (2.7%)
- Of the three major regions, Wellington has experienced the largest decline in the unemployment rate compared to the same time last year. Unemployment in Wellington fell -1.3 percentage points from Q2 2021, compared to -0.7 in Auckland and -0.3 in Canterbury.

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/>

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