



Business and Development Quarterly Report

JULY TO SEPTEMBER 2021





Introduction

This report provides a summary of business and development growth within the Waimakariri District, with a specific focus on the main centres of Rangiora, Kaiapoi, Woodend and Pegasus, and Oxford.

District growth is reported using population data, numbers of building and resource consents granted throughout the quarter, and Gross Domestic Product (GDP) and unemployment rates.

Other economic data is provided on retail expenditure within the District, and outflow expenditure from Waimakariri Residents when outside of the District. This report also provides data for the availability of commercial vacant land and buildings.

These reports are provided quarterly alongside data for the comparative period in the previous year so that growth and development can be tracked over time, and insight gained into the District's business strengths and opportunities.

The current period may show some unanticipated discrepancies due to market disturbances from Covid-19 related trading and movement restrictions.



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Waimakariri is one of New Zealand's fastest growing districts.

Growth

The population of the Waimakariri District is recorded at 66,300¹. It is one of New Zealand's fastest growing districts. By 2048, StatsNZ projects the population will reach 83,000, with high end projections of 95,500 residents.

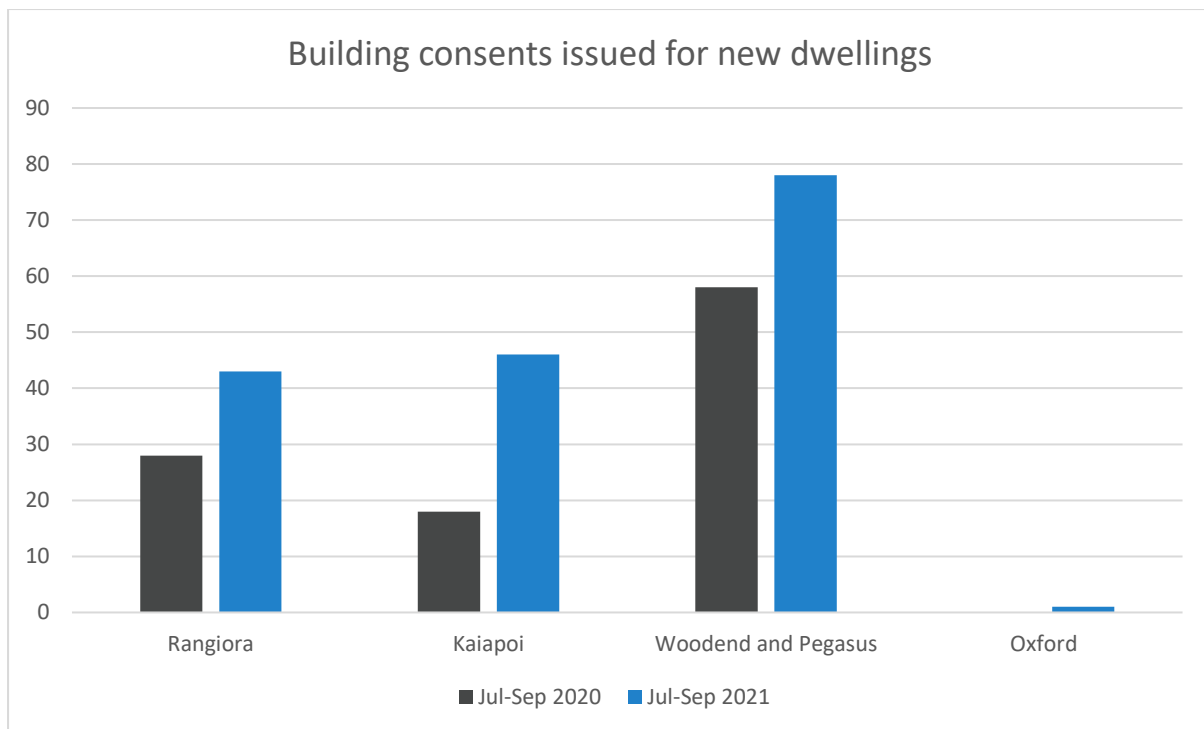
Resource and building consents

Data on resource and building consents issued is reported quarterly within Development Activity Score Cards on our [Local Economic Development](#) web page. This data also includes numbers for LIMs and PIMs.

Key points:

- The number of consents approved by the Council remains high as the District continues to experience a strong pace of development.
- A total of 216 building consents were issued for new dwellings in the third quarter of 2021. This is a 48% increase on the comparable quarter in 2020, reflective of the rapid growth in the national housing market that began around September 2020.
- Growth in Kaiapoi was particularly strong compared to the previous year. While the number of consents issued slowed compared to the second quarter this year, from 79 to 46, this remains a 156% increase on the number of consents issued 12 months prior.

¹ StatsNZ. Population estimates are calculated yearly at 30 June.



- 174 resource consents were approved for land use, subdivision, and variation/other.
- This quarter saw a rise in subdivision across the District, with the number of subdivision consents approved increasing to 90, up from 49 the previous quarter. On comparison to the same quarter in 2020, this number was 33.

Gross Domestic Product (GDP)

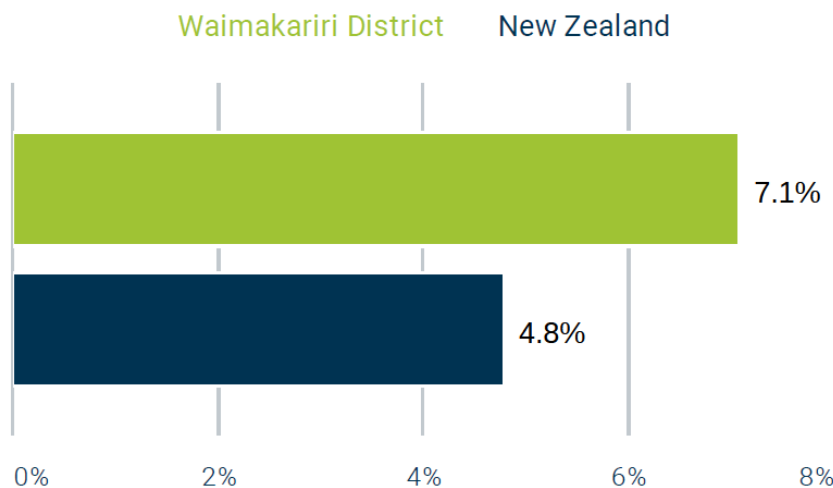
GDP is New Zealand's official measure of economic growth. It measures the value of goods and services produced and sold.

Key points:

- GDP grew provisionally by 7.1% compared to the same quarter in 2020, consistently above the average for New Zealand. National Covid-19 restrictions, particularly the month-long alert level 4 restriction on Auckland are attributed as the cause of the slowed national trend this quarter (Infometrics).
- Provisional GDP was \$2,463 million for the year to September 2021.
- Across the year, GDP has grown each quarter, reflecting a positive trajectory for economic recovery.

Gross domestic product growth (provisional)

Annual average % change September 2020 - September 2021



Source: Infometrics



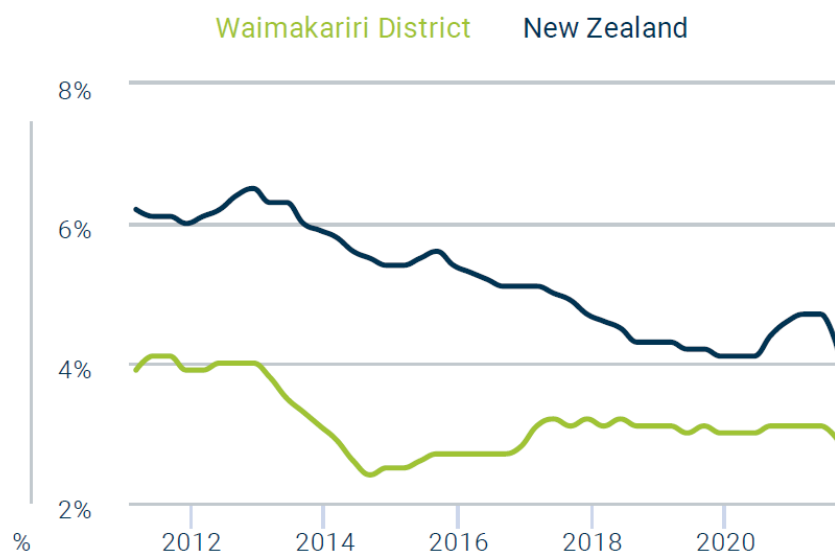
Unemployment

Key points:

- Employment grew by 1.3% over the year to September 2021.
- The annual average unemployment rate in the District was 2.9% for the current quarter, down from 3.1% the previous quarter. This is lower than the national rate of 4.2%.
- Nationally, the unemployment rate of 3.4% (seasonally adjusted) is the equal lowest on record (since 1986).

Unemployment rate

Annual average rate



Source: Infometrics



Expenditure

Retail expenditure

Expenditure within the District is calculated from Waimakariri residents, visitors from elsewhere in New Zealand and international origins.

Totals are calculated for the four main centres of the District - Rangiora, Kaiapoi, Woodend and Pegasus, and Oxford - and data is also separated by spending categories.

Full data tables are in **Appendix A**. A breakdown of the types of businesses within each category is in **Appendix B**.

Key points:

- Expenditure across the District decreased by 0.7% compared to the comparative quarter in 2020. This may be due to a three week period of Covid-19 restrictions that began in August, which included two weeks of alert level 2 that limited expenditure outside of essential services.

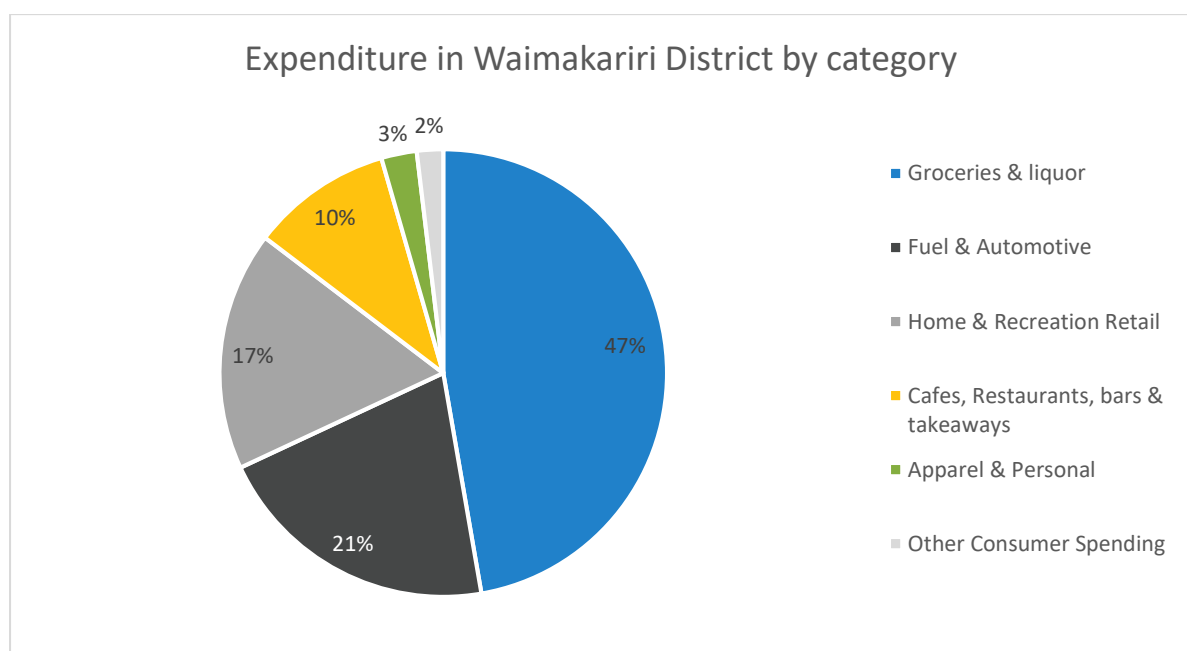
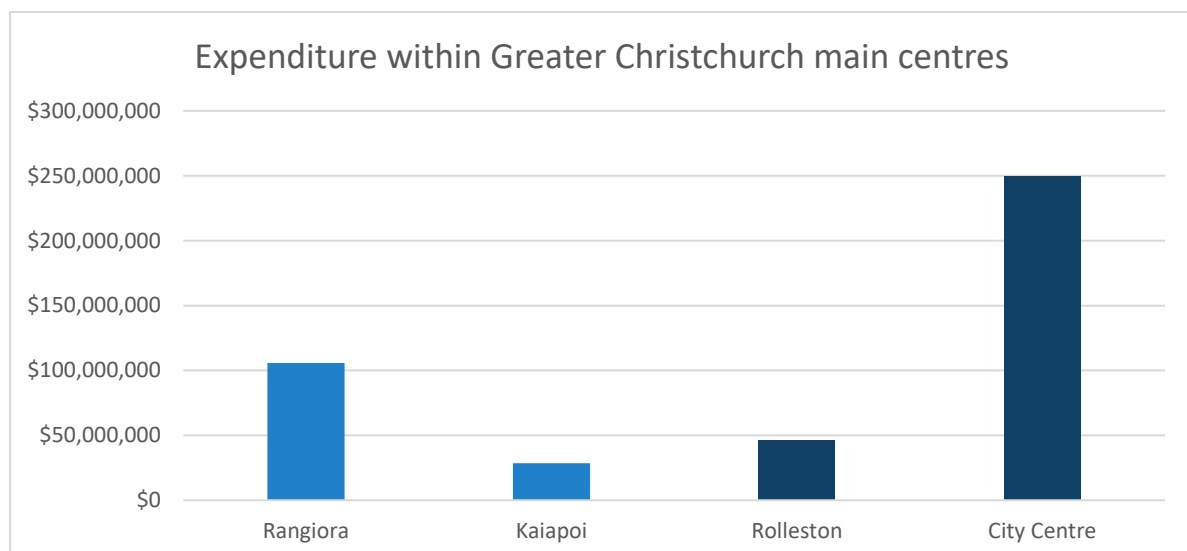
Market strengths

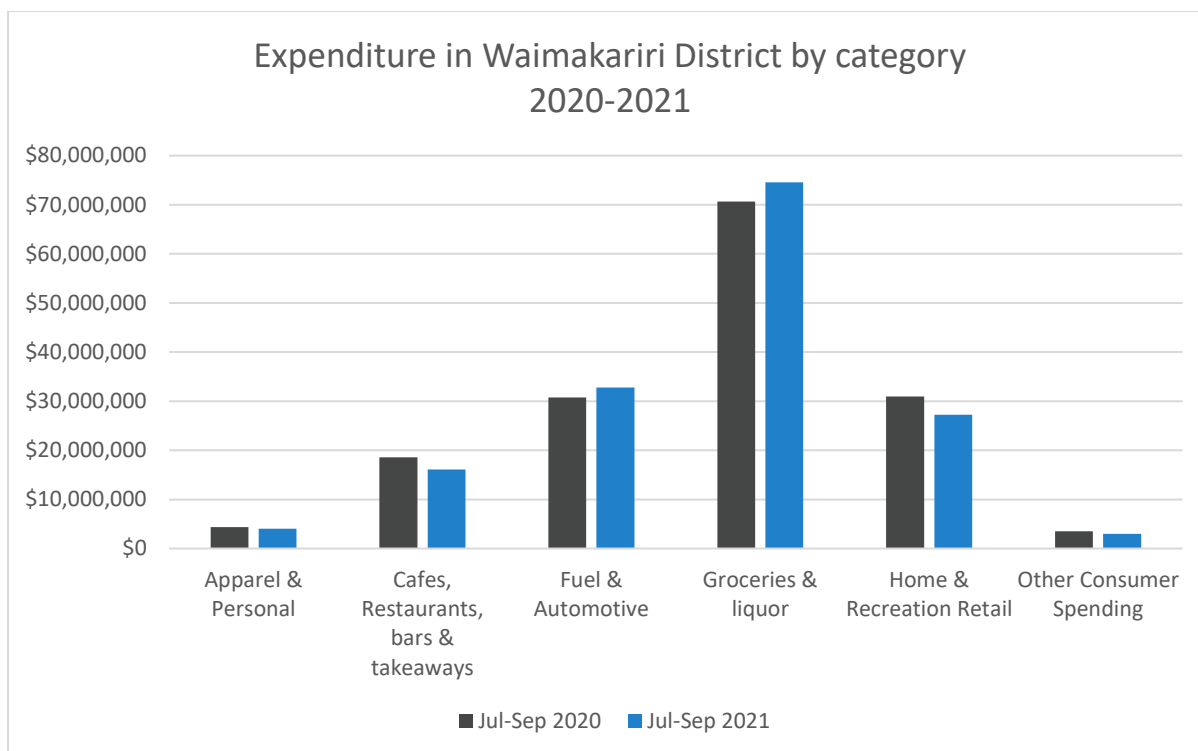
- Increase in international visitor spending over the last year.
- Increased spending in Woodend and Pegasus compared to the same time last year.
- Groceries and Liquor accounts for almost 50% consumer spending.

- Expenditure on Fuel and Automotive, and Groceries and Liquor retail increased during the current quarter by 6.6% and 5.5% respectively. These are both classed as essential services under all Covid-19 alert levels.
- Spending on Cafes, Restaurants, Bars and Takeaways fell this quarter by 13.5%.
- Conversely, Woodend and Pegasus saw the highest increase in retail spending since the comparative quarter in 2020, up by 23.7%, with Oxford also increasing (8.1%).

Market opportunities

- Evidence of a slowed retail market, likely due to increase in Covid-19 restrictions.
- A third of retail spend by Waimakariri Residents is spent outside the District.
- Opportunity to fill local gaps in apparel and personal, car retailing, and sport and physical recreation facilities.





Visitor expenditure

Inflow expenditure is calculated from all domestic and international visitors, excluding Waimakariri residents.

Key points:

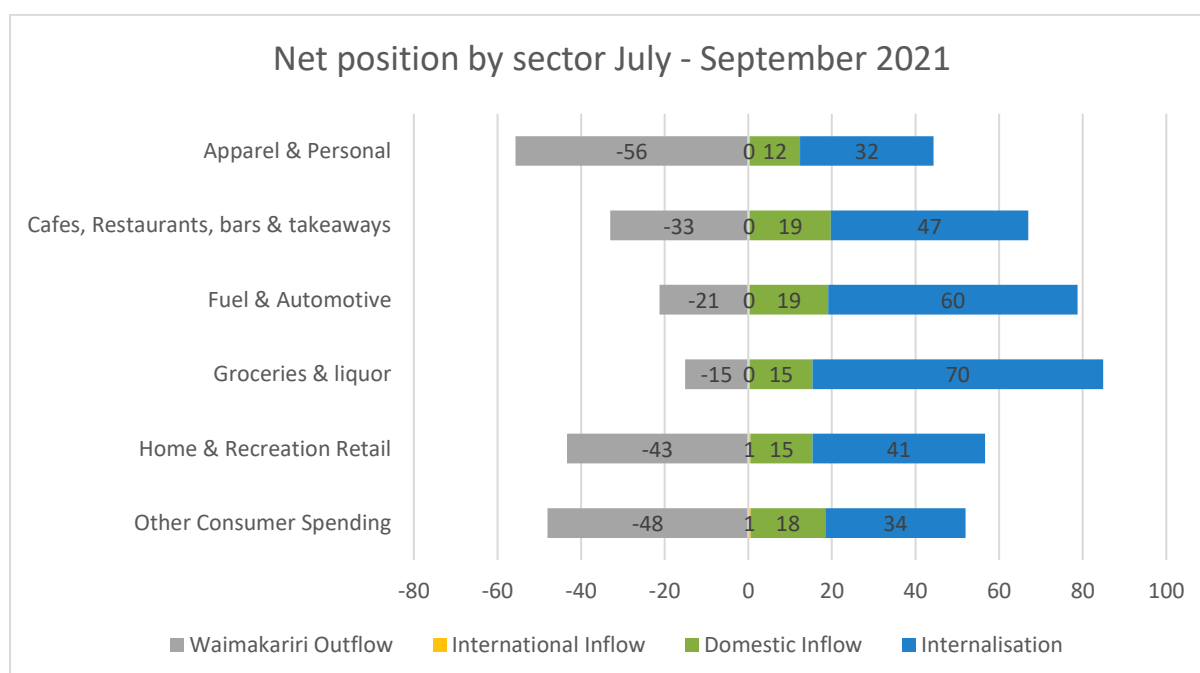
- Spending from international visitors dropped this quarter from the previous quarter. This was likely influenced by the brief 'travel bubble' from April to June 2021 which enabled Covid-19 quarantine-free travel to New Zealand from Australia.
- However, international spending is up by 1.6% overall on the same quarter in 2020. Domestic visitor spending in the District from elsewhere in the country also saw small increases.
- Challenges were faced by Cafes, Restaurants, Bars and Takeaways sector, which once again saw a drop in expenditure (13%) compared to the same quarter in 2020, likely due to national restrictions on 'non-essential' services. A rise in spending on Groceries and Liquor was noted at 15%.

Leakage

Leakage calculates outflow expenditure of Waimakariri Residents in nearby Districts. This is only calculated within Christchurch City and Selwyn Districts as these contribute to the Greater Christchurch area. Leakage data indicates where there may be gaps in provision within the Waimakariri District.

Key points:

- Leakage expenditure by Waimakariri Residents in neighbouring districts has reduced from the comparative quarter in 2020 by 12%, notably in the Cafes, Restaurants, Bars and Takeaways sector (16.4%), and Apparel and Personal sector (16.2%).
- Leakage expenditure accounts for 29.6% of total resident spending. This is slightly less than the previous quarter this year, possibly influenced by Covid-19 restrictions encouraging residents to shop locally.
- By comparing expenditure within the District from visitors (Inflow) and from Waimakariri Residents (Internalisation), and the proportion lost to leakage (Waimakariri Outflow), proportionate leakage to nearby districts is highest for Apparel and Personal at 56%. This means that of the total amount spent on this type of retail, more than half is not spent within the District. Proportionate leakage is also high for Home and Recreation (43%).
- Other Consumer Spending is a consistently high category of expenditure outside of the District. Notable inclusions in this category are car retailing, performing arts, and sport and physical recreation facilities, which may be a result of an abundance of venues and car sales yards in Christchurch City.





Business Vacancy

Vacant buildings

The number of vacant commercial (retail and office) units are counted annually² within Rangiora and Kaiapoi town centres. This includes buildings only in Business 1 and 2 Zones in the District Plan.

Location	Size	Number of units
Rangiora	Small (0 – 499 m2)	42
	Medium (500 – 1499 m2)	5
	Large (1500+ m2)	1
Kaiapoi	Small (0 – 499 m2)	19
	Medium (500 – 1499 m2)	1
	Large (1500+ m2)	1

² Current dataset recorded October 2021

Appendix A: Expenditure data

Total retail expenditure within the District (see **Appendix B** for a breakdown of retail categories):

Location	Third quarter 2020	Third quarter 2021	% change
Total District	\$158,815,173	\$157,723,786	-0.7
Rangiora	\$109,010,235	\$105,642,157	-3.1
Kaipoi	\$28,777,469	\$28,433,163	-1.2
Woodend and Pegasus	\$8,934,898	\$11,049,546	23.7
Oxford	\$5,691,785	\$6,152,710	8.1

Retail category	Third quarter 2020	Third quarter 2021	% change
Apparel & Personal	\$4,338,747	\$4,038,314	-6.9
Cafes, Restaurants, Bars & Takeaways	\$18,588,744	\$16,084,725	-13.5
Fuel & Automotive	\$30,773,258	\$32,789,189	6.6
Groceries & Liquor	\$70,675,981	\$74,553,261	5.5
Home & Recreation Retail	\$30,929,987	\$27,261,414	-11.9
Other Consumer Spending	\$3,508,456	\$2,996,882	-14.6

Total visitor retail expenditure within the District:

Customer origin	Third quarter 2020	Third quarter 2021	% change
Greater Chch, Rest of Canterbury (excluding Waimakariri residents)	\$28,117,307	\$28,305,577	0.7
Rest of New Zealand	\$6,222,402	\$6,610,798	6.2
Australia, Rest of International	\$842,990	\$856,708	1.6

Retail category	Third quarter 2020	Third quarter 2021	% change
Apparel & Personal	\$1,237,163	\$1,131,962	-8.5
Cafes, Restaurants, Bars & Takeaways	\$5,424,016	\$4,734,909	-12.7
Fuel & Automotive	\$7,629,352	\$7,950,506	4.2
Groceries & Liquor	\$11,774,879	\$13,482,976	14.5
Home & Recreation Retail	\$7,867,873	\$7,410,251	-5.8
Other Consumer Spending	\$1,249,416	\$1,062,478	-15.0

Leakage expenditure of Waimakariri Residents in nearby Districts:

Merchant location	Third quarter 2020	Third quarter 2021	% change
Total leakage	\$66,631,615	\$58,732,172	-11.9
Christchurch City	\$65,024,643	\$57,277,458	-11.9
Selwyn District	\$1,606,971	\$1,454,714	-9.5

Retail category	Third quarter 2020	Third quarter 2021	% change
Apparel & Personal	\$6,053,854	\$5,071,537	-16.2
Cafes, Restaurants, Bars & Takeaways	\$9,478,123	\$7,926,980	-16.4
Fuel & Automotive	\$9,212,915	\$8,815,617	-4.3
Groceries & Liquor	\$13,906,072	\$13,273,344	-4.6
Home & Recreation Retail	\$24,547,230	\$20,876,967	-15.0
Other Consumer Spending	\$3,433,420	\$2,767,727	-19.4

Appendix B: Business category groupings

Marketview groups the following business categories together, based on ANZSIC codes:

Business category	Description
Apparel & Personal	Clothing Retailing
	Footwear Retailing
	Watch and Jewellery Retailing
	Other Personal Accessory Retailing
	Hairdressing and Beauty Services
Cafes, Restaurants, Bars & Takeaways	Cafes and Restaurants
	Takeaway Food Services
	Catering Services
	Pubs, Taverns and Bars
	Clubs (Hospitality)
Home & Recreation Retail	Sport and Camping Equipment Retailing
	Entertainment Media Retailing
	Toy and Game Retailing
	Newspaper and Book Retailing
	Marine Equipment Retailing
	Department stores
	Pharmaceutical, Cosmetic and Toiletry Goods Retailing
	Stationery Goods Retailing
	Antique and Used Goods Retailing
	Flower Retailing
	Other Store-Based Retailing n.e.c.
	Furniture Retailing
	Floor Coverings Retailing
	Houseware Retailing
	Manchester and Other Textile Goods Retailing
	Electrical, Electronic and Gas Appliance Retailing
	Computer and Computer Peripheral Retailing
	Other Electrical and Electronic Goods Retailing
	Hardware and Building Supplies Retailing
	Garden Supplies Retailing
Fuel & Automotive	Motor Vehicle Parts Retailing
	Tyre Retailing
	Fuel Retailing
	Other Automotive Repair and Maintenance
Groceries & Liquor	Supermarket and Grocery Stores
	Fresh Meat, Fish and Poultry Retailing
	Fruit and Vegetable Retailing
	Liquor Retailing
Other Consumer Spending	Other Specialised Food Retailing
	Car Retailing
	Motor Cycle Retailing
	Trailer and Other Motor Vehicle Retailing
	Retail Commission Based Buying and Selling
	Interurban and Rural Bus Transport
	Urban Bus Transport (Including Tramway)
	Taxi and Other Road Transport
	Rail Passenger Transport

Water Passenger Transport
Air and Space Transport
Scenic and Sightseeing Transport
Passenger Car Rental and Hiring
Other Motor Vehicle and Transport Equipment Rental and Hiring
Travel Agency and Tour Arrangement Services
Museum Operation
Zoological and Botanical Gardens Operation
Nature Reserves and Conservation Parks Operation
Performing Arts Operation
Creative Artists, Musicians, Writers and Performers
Performing Arts Venue Operation
Health and Fitness Centres and Gymnasias Operation
Sport and Physical Recreation Clubs and Sports Professionals
Sports and Physical Recreation Venues, Grounds and Facilities Operations
Sport and Physical Recreation Administration and Track Operation
Horse and Dog Racing Administration and Track Operation
Other Horse and Dog Racing Activities
Amusement Parks and Centres Operation
Amusement and Other Recreation Activities n.e.c
Casino Operation
Lottery Operation
Other Gambling Activities
Accommodation



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