Monthly Insights Brief

November 2025

On-the-pulse analysis delivered monthly, providing insight into the Christchurch & Canterbury economies.

ChristchurchNZ

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Key economic trends- data released over the past month

Contents

Executive Summary

Christchurch and Canterbury's economies are demonstrating continued resilience. Population growth remains steady, supported by both domestic and international migration, and business confidence is reflected in the continued expansion of business locations. However, labour market conditions appear soft.

Monthly indicators are pointing to improving momentum and the local economies appear to be establishing a foundation for sustained growth.

Population and Migration Trends

Canterbury was the fastest-growing region in 2025

Canterbury's population increased by a net 7,600 people in the year to June 2025, reaching 698,200 people. This growth was made up of a natural increase of 2,300 people, a net domestic migration gain of 3,700 people, and a net international migration gain of 1,600.

While population growth slowed across all regions, Canterbury remained the fastest-growing region, with a growth rate of 1.1%, ahead of Auckland and Waikato at 1.0% each.

With the largest net domestic migration gain in New Zealand

Almost half of Canterbury's population growth in 2025 was from net domestic migration. Canterbury recorded the largest net gain of any region, with 3,700 people relocating to Canterbury from other parts of New Zealand.

Eight of New Zealand's sixteen regions recorded net inflows from domestic migration, while Auckland recorded the largest net outflow.

Domestic migration gains in Canterbury in 2025 were concentrated in the Greater Christchurch area. Christchurch City led the country's districts with a net gain of +1,700 people, followed by Selwyn (+1,400) and Waimakariri (+800).

This recent growth builds on a stronger than expected trend from the previous year, with revisions to past estimates showing Canterbury's domestic migration gains in 2024 were higher than originally reported – a revised estimate of 5,100 compared to the previous estimate of 3,200.

Net domestic migration
(year to June 2025)

Region	Net gain
Canterbury	3,700
Otago	970
Northland	410
Tasman	380
Waikato	360
Wellington	60
Auckland	-3,200

Data Source: Statistics NZ

Net international migration was also positive

Canterbury experienced a net gain of 1,600 people from international migration over the year to June 2025. Canterbury's net international migration gain was the third highest in New Zealand.

Unlike 2024, not all regions had net gains in international migration in the year to June 2025 with the Wellington region experiencing the largest loss.

Most international migration to Canterbury took place in Christchurch, with the city recording a net international migration gain of +980. Ashburton and Timaru also recorded relatively strong gains of +350 and +270 respectively.

While regional level data does not specify countries of origin, national-level data indicates that net migration gains to New Zealand were primarily from India, China, Philippines, Sri Lanka, Fiji, and South Africa.

Net international migration
(year to June 2025)

Region	Net gain
Auckland	9,500
Waikato	2,200
Canterbury	1,600
Southland	880
Manawatu	480
Bay of Plenty	300
Wellington	-1,700

Data Source: Statistics NZ

Business Demography and Employment

Each year, Statistics NZ releases business demography data showing where businesses and workers are located across New Zealand. The latest update, covering the year to February 2025 highlights key changes in Canterbury's business landscape and workforce.

Canterbury maintained a stable business base spread across key industries

As of February 2025, Canterbury had over 82,400 business locations, accounting for 13% of all business locations in New Zealand. The region also employed 333,300 people, or 14% of the total number of employees in New Zealand.

The largest industries by business count in Canterbury were:

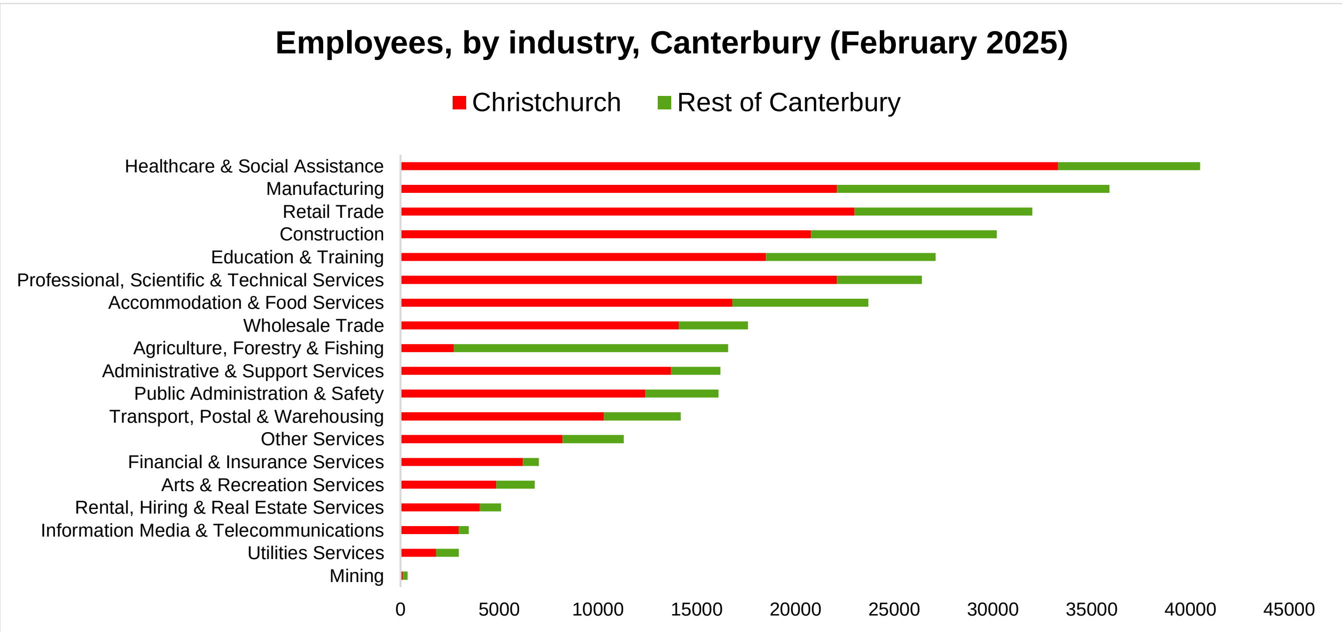
- Rental, Hiring, & Real Estate Services - 20% of total business locations
- Construction - 13%
- Agriculture - 11%.

By employee count, the largest industries were:

- Healthcare & Social Assistance - 12% of total employees
- Manufacturing - 11%
- Retail Trade - 10%.

Christchurch remained the centerpiece for regional employment

Christchurch remains the heart of Canterbury's workforce, with 71% of employees based in the city. Most industries had their largest share of employees based in Christchurch, except for Agriculture, Forestry & Fishing, whose workforce was spread more widely across the region.

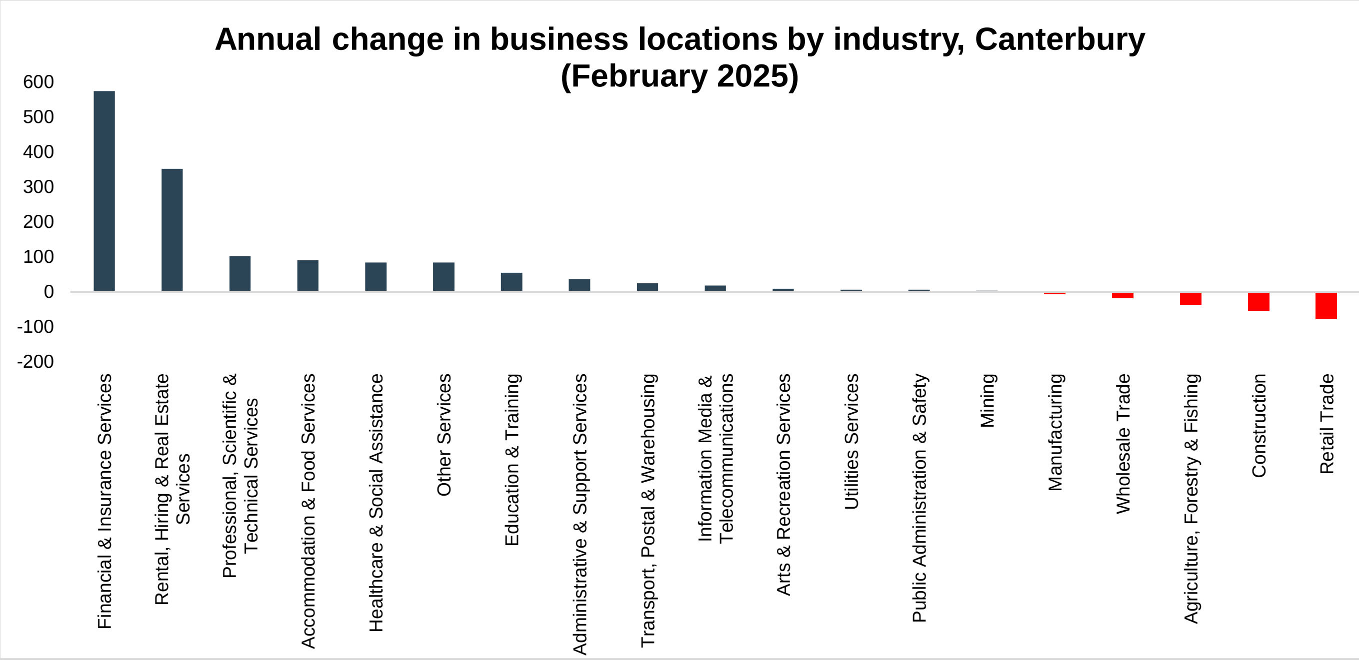


Data Source: Statistics NZ

Business location growth has been led by the Financial & Insurance industry

Growth in business locations can mean new businesses opening or existing businesses expanding to new sites.

Canterbury added over 1,200 new business locations over the year to February 2025. This represented a 1.5% annual increase in business units, which was triple the national growth rate of 0.5%. Christchurch accounted for just over half of this growth, with business locations in the city increasing by more than 650 to reach 48,230 locations.



Data Source: Statistics NZ

The Financial & Insurance Services industry saw the largest growth in Canterbury, adding 570 new locations (+10.2%), driven mainly by growth in businesses investing in financial assets, unit trusts, and holding companies. The Rental, Hiring, & Real Estate Services industry added 350 new locations (+2.2%), driven mainly by more residential property operators. Despite more businesses, both sub-sectors have relatively low employee counts, with many self-employed or part of larger groups. As a result, the growth in business numbers in these sub-sectors did not lead to significant increases in employee counts.

Other growing sectors included Professional Services, Hospitality, Healthcare, and Education, consistent with Canterbury's growing population.

Five industries saw a drop in business locations:

- Retail Trade fell by almost 80 locations (-1.6%) consistent with the slowdown in demand and soft spending figures over 2024
- Construction fell by 55 locations (-0.5%) reflecting the softer construction market
- Agriculture, Forestry, & Fishing dropped by 35 (-0.4%) in a continuation of an almost ten-year downward trend
- Manufacturing and Wholesale Trade also saw modest declines.

Statistics NZ also publish monthly indicators of business growth. Whilst the monthly figures are not directly comparable with the annual snapshot, with 2.5% more business units in Canterbury in September 2025 compared to September 2024, they do indicate that business growth has been accelerating in 2025.

While employee count numbers reduced in most industries

Despite business growth, employee count numbers fell by 4,400 (-1.3%) in Canterbury in the year to February 2025. Nationally, the drop was larger at -2.1%.

The Public Administration & Safety sector led employment growth in Canterbury adding 700 jobs, mostly in central and local government roles.

Other sectors with modest increases included:

- Healthcare & Social Assistance +400 – driven mainly by residential care and allied health services
- Education & Training +200 – primarily in pre-school and school-based roles
- Financial & Insurance Services +200 – largely in banking positions
- Arts & Recreation +200 – mainly related to sport and recreation activities.

All other industries showed reductions in employee numbers, consistent with the broader economic slowdown. The largest reduction was in Administration & Support Services, which lost 1,600 employees – mainly in the recruitment and labour supply services sub-sectors – reversing gains from previous years. Construction and Manufacturing also saw significant declines, losing 1,000 and 900 jobs respectively.

Labour Market Conditions – Household Labour Force Survey

Business demography data shows the number of paid employees in enterprises and highlights employment trends by industry, but it is not an official measure of employment. Official figures come from the Household Labour Force Survey (HLFS), which uses a broader definition of employment that includes self-employed and unpaid family workers.

While business demography data suggests a sharp decline in employment, the latest HLFS data indicate that employment has not fallen as steeply. However, overall labour market conditions appear soft.

Canterbury's unemployment rate reduced slightly but capacity remains

In Canterbury, the unadjusted unemployment rate fell slightly from 4.8% in September 2024 to 4.7% in September 2025. Employment grew modestly during this period (+100) and was matched by a reduction in unemployment, with the overall labour force remaining unchanged.

Throughout the year, the unemployment rate has fluctuated, reaching a peak of 5.0% in the June quarter before easing in the September quarter. The recent decline was largely driven by fewer people participating in the labour force, not by increased employment. This may reflect individuals choosing to pursue further education or training or possibly withdrawing due to feeling discouraged in a challenging labour market. Seasonal factors may have also played a role.

Underlying indicators suggest considerable slack in Canterbury's labour market. With the working age population continuing to grow, the labour force participation rate fell to 71.5% in September

– its lowest level since June 2024. Meanwhile, the underutilisation rate, which provides a broader measure of untapped capacity in the labour market, at 14% was at its highest rate since 2011.

Christchurch followed similar trends

In Christchurch, the unadjusted unemployment rate remained steady at 5.4% in the year to September 2025. Employment increased, but this was matched by an increase in labour force, leaving the number of people unemployed unchanged.

Like the wider Canterbury region, Christchurch's unemployment rate has fluctuated throughout the year, reaching a peak of 5.8% in June 2025 before declining in the September quarter. The recent improvement was due to employment growth outpacing the increase in the labour force, resulting in fewer unemployed people.

Christchurch maintained a higher participation rate than Canterbury, although it too has declined to 72.3% in September 2025, the lowest rate in two years. The City's underutilisation rate has improved slightly since the June 2025 quarter but remains elevated at 14.1%, suggesting significant untapped capacity.

The local markets appear to be relatively resilient compared to national trends

Nationally, the labour market has been challenging. Across New Zealand the unadjusted unemployment rate increased from 4.8% in September 2024 to 5.2% in September 2025, driven by a decline in employment. Much of this deterioration came from Auckland where the unemployment rate rose from 5.2% in September 2024 to 6.1% in September 2025.

In contrast to the national and Auckland labour markets, Christchurch's and Canterbury's performances have been relatively stable. This suggests Christchurch and Canterbury have weathered the national slowdown better than most.

And there may be momentum building

Encouragingly, MBIEs monthly online jobs advertisement data shows signs of momentum in Canterbury's labour market. In September 2025, the number of job ads in Canterbury increased by 14.1% compared with September 2024 – this was nearly double the national increase of 7.5% over the same period.

Visitor arrivals and in-store card spending

International visitors and Selwyn residents prop up the local market

The wider Christchurch economy has showed signs of resilience and growth in recent months, driven by strong international tourism and spending from Selwyn residents. Statistics NZ data showed international visitor arrivals at Christchurch Airport rose 17% in the three months to August 2025 compared to the same period last year, significantly outpacing national growth.

Consistent with higher arrivals, Marketview data showed international in-store card spending in Christchurch increased by 22% in the three months to September 2025 compared to the same period last year. Selwyn residents also boosted local retail activity with a 17% rise in in-store card spending over the same period, helping offset declines from Christchurch locals and domestic visitors. Overall, in-store card spending grew 0.9% in Christchurch and 1.1% in Canterbury, ahead of the national average of 0.5%.

Monthly Economic Indicators

Other indicators also point to positive momentum

In September 2025, Canterbury's services sector stayed in growth mode with a BNZ – BusinessNZ Performance of Services Index score of 52.4. At the same time, the manufacturing sector bounced back strongly, posting 54.5 on the Performance of Manufacturing Index. (Scores above 50 indicates expansion while scores below 50 indicates contraction).

REINZ data showed Christchurch and Canterbury's property markets outperformed national trends in September. Christchurch recorded a 22% increase in sales (Canterbury +16%) and a 3% rise in its median house price (Canterbury +2%) compared to the same time last year. This performance contrasts sharply with a national decline in the median house price.

Adding to the positive momentum, Statistics NZ data showed total building consent numbers rose 21% in Christchurch and 17% across Canterbury in the three months to September 2025 compared to the same period last year. This contrasts with 9% growth nationally.

Outlook

We remain optimistic as the local economy positions for growth

The data released over the past month indicate that despite challenging conditions, the local economy is continuing to move in a positive direction. While the Christchurch and Canterbury economies are starting from a low base – particularly in areas such as the labour market, confidence and spending – there are encouraging signs. Population growth remains steady, business confidence remains positive, and there appears to be growing momentum in the labour market. Overall card spending appears to be picking up, both the manufacturing and services sectors are expanding, and increased building consent activity may help support a recovery in construction. And future growth is expected to be supported by stimulatory monetary policy.

While strong performance may not yet be evident, the local economies appear to be establishing a foundation for sustained growth and are positioning themselves well to take advantage of what are hoped to be more favorable economic conditions ahead.

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