



Media Release
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Economy remains strong despite COVID-19

The Selwyn district's economy is showing positive signs despite the impacts of the COVID-19 global pandemic.

The district was one of the few in New Zealand whose economy grew in the year to June according to economic profile figures release by analysts Infometrics.

The figures show Selwyn was one of only 11 districts where gross domestic product (GDP) grew over the past year, up 1.3% over the year to June 2020. Across Canterbury GDP fell by 2.3% and by 2.1% nationally.

Selwyn also saw an increase in consumer spending in the past year, up 3% thanks to strong spending in the first three quarters of the year.

House sales rose by 8% and house prices by 2%, backing the record figures of building consent applications the Council has received since the Level 4 lockdown. Infometrics data shows the number of residential building consents issued in Selwyn increased by 45.2% during the year to June, compared with the same period a year ago. The number of consents in New Zealand increased by 8.1% over the same period.

Tourism spending was down by 7.6%, though the drop was significantly less than the 12% fall across Canterbury and nationally.

The figures also show the impacts of the Level 4 Lockdown, as GDP declined by 11% in the district during April, May and June and consumer spending fell by 9.7%.

The number of people receiving Jobseeker support rose by 41.9% with 860 people receiving the Jobseeker Support and 124 people receiving COVID Income Relief Payment in the district. This was up from 421 people receiving Jobseeker Support in June 2019.

However, the unemployment rate in Selwyn remained unchanged from the same time last year, at 2.3%, and almost half the national unemployment rate of 4.1%.

Mayor Sam Broughton says the figures give some comfort, but the full impacts of the pandemic show the need for caution.

"Selwyn is well placed, based on our strong community and diversified economy and the figures back that up. However they also show signs that many of our households and businesses are hard-pressed and we face challenging times ahead. Our Council is continuing to support local New Zealand businesses, and we will all need to keep supporting each other as things continue to change over the coming months."

Note: The Infometrics Quarterly Economic Profile is available online at
<https://www.selwyn.govt.nz/services/business/our-economy>

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