

Earnings and Expenditure

Key Information	Why is this Useful?	What is Happening?
Average earnings.	Earnings, like employment, are an important measure of local economic activity. Total earnings are one important component of personal income and the amount of wealth available for the purchase of goods and services.	● At May 1999 Canterbury employees earned an average total weekly income of \$650.39 or \$16.96 per hour.
Household expenditure.	Provides insight into the average amount of money households spend each week.	↑ Average weekly household expenditure in the City increased by just under \$36.00 per week between 1997 and 1998 from \$561.89 to \$597.63.
Retail spending.	The value of retail sales is an indicator of consumer confidence.	↑ The value of retail sales in the Christchurch urban area picked up strongly in 1999 after stalling during 1997 and 1998.

Other Related Sections: Profile of Christchurch Residents, Businesses, Employment and Unemployment.

Average Earnings

According to Statistics New Zealand's Quarterly Employment Survey (QES)⁸, Canterbury employees worked an average of 38.35 hours per week in May 1999. They earned an average total weekly income of \$650.39, which translates to \$16.96 per hour (pre-tax) (Tables 3.5, 3.6 and 3.7).

In May 1999 total weekly earnings in Canterbury were around \$33.00 less than the national figure, \$74.00 less than in Auckland and close to \$94.00 less than in Wellington. Reasons for the differences between regions include the mix of industries and occupations, and variation in the cost of living throughout New Zealand.

There is a noticeable disparity between the incomes of men and women working in Canterbury. May 1999 QES figures show that average weekly earnings of men were \$180.00, or 32.5 per cent more than women. This was similar to the difference in earnings nationally and may reflect the lower number of paid hours on average that women work, as well as women's frequent involvement in lower-paid occupations.

Table 3.5 Average Hours Paid as at May 1999 (Ordinary Time + Overtime)

Location	Male	Female	Total
Canterbury	40.19	36.18	38.35
Auckland	40.12	37.57	38.91
Wellington	39.30	36.93	38.16
Rest of New Zealand	40.37	36.20	38.43
New Zealand	40.11	36.79	38.55

Source: Statistics New Zealand, Quarterly Employment Survey.

Table 3.6 Average Weekly Earnings as at May 1999 (\$) (Ordinary Time + Overtime)

Location	Male	Female	Total
Canterbury	732.72	552.81	650.39
Auckland	814.35	625.45	724.42
Wellington	834.97	645.69	744.06
Rest of New Zealand	709.55	543.36	632.18
New Zealand	766.69	588.64	682.97

Source: Statistics New Zealand, Quarterly Employment Survey.

Table 3.7 Average Hourly Earnings as at May 1999 (\$) (Ordinary Time + Overtime)

Location	Male	Female	Total
Canterbury	18.23	15.28	16.96
Auckland	20.30	16.65	18.62
Wellington	21.25	17.48	19.50
Rest of New Zealand	17.58	15.01	16.45
New Zealand	19.12	16.00	17.72

Source: Statistics New Zealand, Quarterly Employment Survey.

⁸ For more information about the Quarterly Employment Survey see Statistics New Zealand Web site at www.stats.govt.nz

Household Expenditure⁹

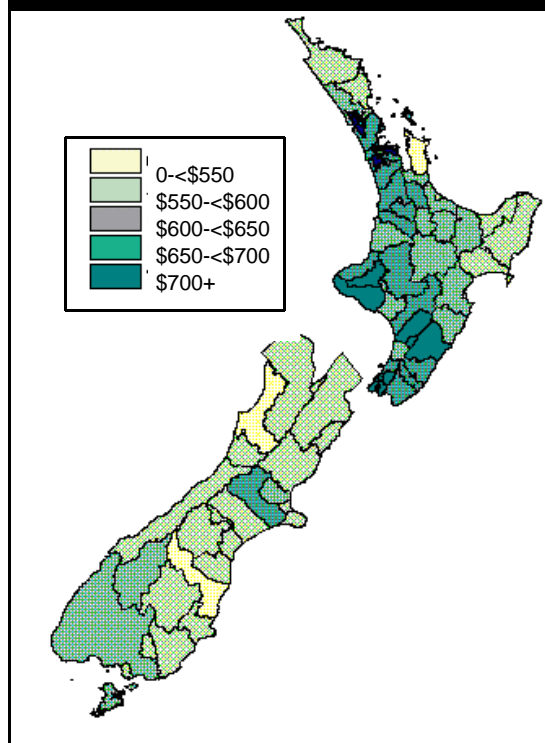
During the year ended March 1998 households in Christchurch City on average spent an estimated \$597.63 per week. This was 7.5 per cent less than the national average of \$646.24 per week. Average household expenditure in the City increased by nearly \$36.00 between 1997 and 1998.

Housing was the greatest expense for householders in Christchurch in 1998. On average they spent an estimated \$117.50 per week on housing compared with the national average of \$121.21 per week. Expenditure on *other services*, including those associated with health, education, personal and leisure services, was the second biggest household cost, followed by *transport* (Figure 3.7).

With the exception of *other services*, Christchurch residents spent less on all expenditure groups than New Zealand as a whole. Expenditure on *transport* was considerably less than the national figure.

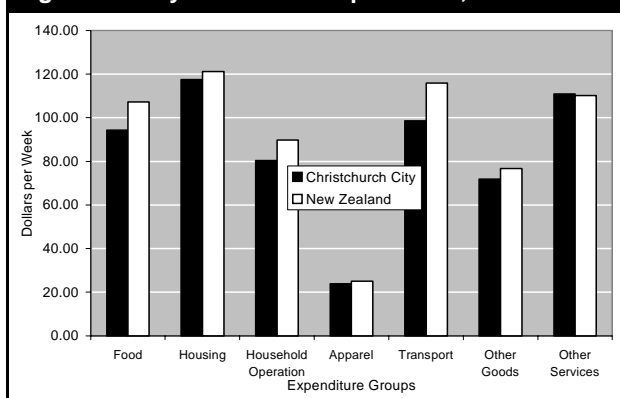
Figure 3.8 summarises average total weekly household expenditure by territorial local authority for the year ended March 1998. It shows that, overall, households in North Island cities and districts tended to spend more per week than those in most South Island areas.

Fig 3.8 Average Total Weekly Household Expenditure (\$) (Year Ended March 1998)



Source: Statistics New Zealand, Household Economic Survey.

Fig 3.7 Weekly Household Expenditure, 1998



Source: Statistics New Zealand, Household Economic Survey.

Retail Sales⁹

Retail spending in the Christchurch urban area¹⁰ grew strongly in 1999 after stalling during 1997 and 1998. Sales were likely to have been boosted by spending associated with four Neil Diamond concerts and numerous sporting events held in the City that year.

In real terms, retail spending in the Christchurch urban area increased by 6 per cent during the year to June 1999, indicating high consumer confidence. In that year retail sales in the City were valued at \$4,020.90 million (March 1995 dollars). This accounted for over three quarters of total retail spending in Canterbury at that time (Table 3.8).

Canterbury's retail sales activity also increased

significantly during the year to June 1999. Total sales reached \$5,247.10 million, up nearly 6 per cent from 1998. This outpaced national retail sales growth, suggesting that the local economy was making a steady recovery and household consumption was continuing to rise.

Table 3.8 Total Retail Sales*

Year Ended June	Christchurch Urban Area Total Sales (\$M)	Annual % Change	Canterbury Total Sales (\$M)	Annual % Change
1991			\$3,774.50	
1992			\$3,962.50	5.0
1993			\$4,192.60	5.8
1994			\$4,600.40	9.7
1995			\$4,837.90	5.2
1996	\$3,683.20		\$4,932.40	2.0
1997	\$3,709.90	0.72	\$4,907.80	-0.5
1998	\$3,786.80	2.07	\$4,958.70	1.0
1999	\$4,020.90	6.18	\$5,247.10	5.8

*March 1995 dollars.

Source: Statistics New Zealand, Retail Trade Survey.

⁹ For more information about the Household Economic Survey and the Retail Trade Survey see Statistics New Zealand's web site at www.stats.govt.nz.

¹⁰ The Christchurch Urban Area is a non administrative area defined by Statistics New Zealand and is larger than Christchurch TLA.