



Christchurch

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## State of the nation

Welcome to the Catalyst State of the Nation for the month of November. As we close in on December and the Christmas break New Zealand has enjoyed one of the best spring seasons on record. Auckland had the pleasure of basking in 26 degrees of beautiful sunshine last weekend and Christchurch reportedly hit nearly 30 degrees for the weekend of the Christchurch Show. It has been so dry that people who live on tank water (like Andy) have had to refill already – before the official start of Summer.

### Civil Contractors

The civil and infrastructure contractors are closing out the year by trying to secure work in the New Year and every day we hear of tender meetings and deadlines. The work seems to be spread throughout the country and not just focused around the stop/start work in Christchurch. We have noticed that due to the limited amount of work this year the busier companies have been able to poach candidates from quieter companies; those same companies now appreciate that they won't have that luxury next year and are talking to us about potential requirements. All sectors of the civil and infrastructure industry will have requirements at all levels so it's important that you start talking to Phil now in preparation for 2014.

### Construction

There has been a significant shift in the Auckland market with clients finally taking a look at international candidates. We have been trying not to roll our eyes as clients read the CV's we present and say – this CV is really good! But this is great news for those who are making their way over and for the passive candidate who needs the job offer before arriving.

People who are arriving are getting interviews and job offers are forthcoming – although it isn't like 6 years

ago – when multiple offers were common. In Auckland – Quantity Surveyors are in demand and so are Site Managers and Project Managers now and again, but I reckon we are around 4 months away from people sitting at home and being interviewed. But that time is really not far away yet. The construction companies are starting to do a lot more negotiated work and there is talk of making clients wait 6 months before projects start. And with Christchurch still coming...

### Consultants

The signs are all pointing towards 2014 being a very positive year. There will be a noticeable increase in hiring activity for suitably qualified and experienced engineers as projects finally get underway. If you are a Civil qualified Geotechnical Engineer (4+ years experience), seismic capable Structural Engineer (4+ years experience), Fire Engineer with a relevant and recognised fire engineering qualification (with any level of practical experience), or experienced W&WW Engineer – especially if coming from a strong project background in stormwater modelling and design (5+ years experience), then now is the time to be emailing Mireille to set up a convenient time to talk. If you want to be here early next year then you don't have any time to waste; get in touch with Mireille as soon as possible!

# Telegraph Travel Awards

2013

**Best country**  
New Zealand

**Runners-up**  
Maldives and Myanmar (Burma)

**Best city**  
Cape Town, South Africa

**Runners-up**  
Vancouver, Canada and Venice, Italy

**Best long-haul airline**  
Singapore Airlines

**Runners-up**  
Air New Zealand and Emirates

**Best short-haul airline**  
British Airways

**Runners-up**  
Swiss and Icelandair

**Best hotel group**  
Four Seasons

**Runners-up**  
RIU and Jumeirah

**Best large cruise line**  
Cunard

**Runners-up**  
Disney Cruise Lines and Celebrity Cruises

For the full list of winners, click here.

- nzherald.co.nz

## NZ tops in Telegraph Travel Awards

Readers of the The Daily Telegraph have named New Zealand the best country in the world and Air New Zealand one of the best long-haul airlines, in the newspaper's annual travel awards.

More than 75,000 people had their say in deciding the winners of this year's awards, which recognise tour operators, destinations and holidays that exceed guests' expectations.



The Telegraph said New Zealand's old-fashioned Englishness, stunning alpine scenery, vibrant Polynesian culture and obsession with extreme sport made it a hit with Britons. Photo / Alan Gibson



Next year the It's the second year running that New Zealand has won best-country honours, something the Telegraph attributed to its "mix of old-fashioned Englishness, stunning alpine scenery, vibrant Polynesian culture and obsession with extreme sport".

"The Land of the Long White Cloud casts its spell over many people in many places, but seems to exert a special hold over British travellers," the paper said.

"Apart from its sheer physical beauty, New Zealand is also a very compact country, which is fully geared to the needs of time-poor visitors, whether you're enjoying a family campervan trip or staying at a top-notch country lodge."

New Zealand's people - "friendly, relaxed and a little

eccentric" - were singled out as being one of the country's biggest assets.

"Passionate travellers themselves, New Zealanders are the world's most natural hosts."

Tourism New Zealand Regional Manager UK and Europe, Danielle Genty-Nott, said the accolade was a "huge honour" for the country and thanked voters of the well-respected awards for their "on-going support of New Zealand".

"It's hugely exciting to know that our beautiful and diverse country is providing inspiration to readers of the Telegraph and that their experiences of New Zealand are ones they treasure."

Air New Zealand, which along with Emirates was named runner-up to Singapore Airlines in the best long-haul airline category, was lauded for its efforts to "narrow the comfort gap between the front of the aircraft and the back".

"The three-seat-wide Skycouch in economy and the Spaceseat, which is designed for couples, in premium economy are real innovations," the paper wrote.

Source: Eveline Harvey, 12:45pm Thursday Nov 28, 2013



## Auckland beats Sydney in sporty stakes

Auckland has been named the world's third most sports-mad city, edging out the likes of Sydney and Istanbul.

Its bronze title - bestowed at the International Sports Event Management Awards in London yesterday - follows the city's inclusion on the Lonely Planet travel guide's list of the top 10 cities in the world to visit.

Only London and Dubai were considered by the judges to be sportier than Auckland, which gained the No2 spot in last year's awards after the 2011 Rugby World Cup and its opening ceremony.

The latest Sport City award followed Auckland's hosting of world triathlon, softball and BMX cycling championships in 2012-13, as well as the return of the V8 Supercars tournament to Pukekohe.

Auckland Council's tourism and economic development arm estimates such events brought a return of \$39.1 million on investment of about \$12 million.

That included accommodation receipts from 290,000 visitor nights, according to Auckland Tourism, Events and Economic Development (Ateed).

And there's plenty more to come, starting with the three-day, six-nation Fast5 Netball World Series opening at Vector Arena this evening and including international tennis, triathlon, table tennis, rugby, aquatic and yachting events next year, to be followed by the ICC Cricket World Cup and the Fifa Under-20 World Cup in 2015.

The award came as welcome news for Auckland mayor Len Brown, a day after having his city ranked the 15th most traffic-congested out of 169 surveyed on six continents by navigation company TomTom.

"This recognition and the recent Lonely Planet Top 10 announcement shows we continue to gain global recognition as a place to hold events and to visit," he said. "It also shows that our work to make Auckland a great place to visit and to live is getting results."

Ateed destination and marketing general manager Rachael Carroll said her agency's award entry highlighted Auckland as a city transformed by sport, in which its hosting of major events was entwined with the region's development.

"Auckland has developed a global reputation as an event-friendly host and has grown a diverse portfolio of major events," she said.

"Hosting these events is helping to rejuvenate our city, fast-tracking improvements to public spaces, increasing the use of public transport, winning the hearts of visitors and Aucklanders - and paving the way towards making Auckland the world's most liveable city.

"We've also beaten one of our main competitors in Australia, which is great."

Tourism New Zealand's corporate affairs general manager, Chris Roberts, said the accolade was fantastic for Auckland and New Zealand.

"New Zealand's international profile is raised when it hosts major sporting events, which makes them a key part of the work Tourism NZ does to attract international visitors.

"It is not just the participants, friends and fans who come for the events themselves - it's the opportunity to promote New Zealand in those markets following the events."

Source: Mathew Dearnaley, 5:30am Friday Nov 8, 2013

## Spending surges in October

The tills are ringing loudly in Canterbury, with the latest Paymark data revealing 10 per cent higher spending in October than in October last year.

The figures augur well for Christmas spending, Paymark says.

It processes over three quarters of all electronic transaction in New Zealand retail.

Paymark data shows spending through its network was up 8.1 per cent nationally in October 2013 compared with October 2012.

Spending was strongest in Marlborough, up 10.7 per cent, Canterbury up 10.1 per cent and in Auckland and Northland, up 10.0 per cent.

Double-digit year-on-year growth was seen in hardware stores (+14.8 per cent), liquor outlets (+13 per cent), and cafes and restaurants (+12.8 per cent) during October.

In addition, strong growth was reported in footwear stores (+9.3 per cent), appliance stores (+9.2 per cent), takeaway outlets (+9.8 per cent) and accommodation providers (+9.1 per cent).

"As the warmer weather arrives, it appears the desire to work on the house and enjoy meals and drinks out with friends does too," says Paul Whiston, Paymark acting chief executive.

"The Christmas build-up is imminent, and we typically see spending jump repeatedly over the last three months of the year."

It was a good start to Christmas retail with above average month-on-month growth.

Source: Fairfax News



## Unemployment falls to 6.2 pc Soon we will be beating the Aussies!!

Job numbers surged in the September quarter. The unemployment rate dropped to 6.2 per cent for the September quarter, compared with 6.4 per cent in the June quarter. There are now 2.27 million people in work, up a stronger than expected 1.2 per cent in the September quarter.

Job numbers appeared to be growing most in the retail, food and drink sectors, reflecting a pick-up in consumer confidence and retail demand in the past year, ASB Bank economists said.

Statistics New Zealand figures just out show that in the year to September, the number of people employed rose 2.4 per cent.

ASB economists said much of the surprise in the jobs growth in the September quarter was outside Canterbury, rising 1.2 per cent.

Much of the strength appeared to be in Auckland, with jobs up almost 19,000 in the quarter, and to a lesser extent in Wellington, with job numbers up 6000.

ASB said Canterbury employment remained subdued, given the amount of building work and broadening demand in the region.

The survey may be understating the strength of demand for workers in Canterbury, so the latest national figures may not show the full strength of the job market, ASB said.

The latest unemployment rate was in line with economists' forecasts for a small drop in the quarter as the economy hits a steady expansion phase and the Canterbury rebuild continues.

There are 150,000 unemployed, down 2.6 per cent in the September quarter and down more than 13 per cent in the past year.

"We saw continued improvement in labour market conditions over the quarter as employment rose and unemployment fell," Statistics New Zealand industry and labour statistics manager Diane Ramsay said.

"However, annual wage inflation remains restrained."

Annual wage inflation, as measured by the labour cost index of salary and ordinary-time wage rates, eased to 1.6 per cent in the September quarter, down from 1.9 per cent this time last year.

"Subdued wage inflation follows a period of higher unemployment during 2012 and coincides with low consumer price inflation," Ramsay said.

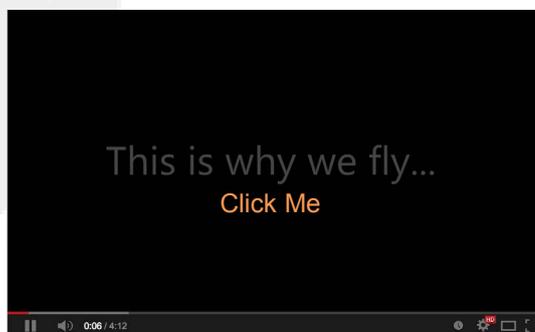
Average ordinary-time hourly earnings, as measured by the quarterly employment survey, edged up 2.6 per cent over the year, up from 2.1 per cent in the previous quarter. This increase was influenced by fewer part-time jobs.

New Zealand's unemployment rate, at 6.2 per cent, leaves the country with the 13th lowest unemployment rate among Organisation for Economic Co-operation and Development countries.

Australia's unemployment rate is 5.8 per cent, but its job market is seen as getting worse, while New Zealand's market is getting better.

Source: James Weir, NZ Herald

## This is why we love New Zealand



# Justice and Emergency Services Precinct

## Key facts

- 3 buildings, 5 levels
- 1,100 staff will work in the precinct
- 900 visitors daily
- 400–500 people employed during construction
- 40,000m<sup>2</sup> of floor space
- 19 courtrooms



Warren and Mahoney COX Opus Architecture

The true scale of the \$300 million Justice and Emergency Services Precinct – designed by Warren and Mahoney – has now been revealed.

The precinct is a priority under the Christchurch Central Recovery Plan. It brings together all justice and emergency services in one purpose-built, world-class precinct in central Christchurch.

It will be the first major public building in greater Christchurch to be built by the Government since the earthquakes of 2010 and 2011. It is located in the Christchurch central city block bordered by Colombo, Tuam, Durham and Lichfield streets. The site was chosen for its direct access to the city's main arterial roads.

The precinct will house:

- Ministry of Justice
- Police
- Corrections
- St John
- New Zealand Fire Service
- Civil defence and emergency management functions of the Ministry of Civil Defence & Emergency Management, the Christchurch City Council and Environment Canterbury.

The judiciary will also be housed in the precinct in a way that recognises and ensures its constitutional independence. The Justice and Emergency Services Precinct is the largest government project drawing together multiple agencies in one location in New Zealand's history.

Resource Co-ordination Partnership Limited has been appointed as the project manager for the precinct, and Rider Levett Bucknall as the quantity surveyor. Engineering appointments are Opus as the building services engineer and Holmes Consulting Group as the structural engineer, assisted by Tonkin & Taylor.

For more information on the anchor projects and their progress, go to: [www.ccd.govt.nz](http://www.ccd.govt.nz)

Source: The Greater Christchurch Recovery Update November 2013 Issue.

## Timeline

### EARLY 2014

Appointment of main contractor to lead the construction of the precinct

### EARLY

### FEBRUARY 2014

Earthworks and ground improvement works begin

### JUNE 2014

Construction of the buildings begins

### LATE 2016

Justice staff and judiciary start working from the precinct

### MID 2017

Precinct complete and open to public



## The Catalyst Team

# New IRD rules potentially savage British private pensions - unless you act now!

Almost no one has followed the IRD's current foreign pension tax rules so they are proposing a new tax regime, mainly targeting the 250,000 plus British and Irish expats as well as all those Kiwi's that have lived and worked in the UK. The sweeping changes affect 1 in 11 people in New Zealand and are likely to either affect you, your friends, family (like sons and daughters that have travelled and lived in the UK), neighbours or work colleagues.

The new rules are proposed to take effect on 1 April 2014. The biggest impact of the rules is the massive tax savings if you transfer your foreign pension to New Zealand prior to 1 April 2014.

The new rules propose an increasing tax rate on foreign pension lump sum payments or transfers with increases linked to the amount of time you have been in New Zealand. But they also state that if you transfer prior to 1 April 2014 you can elect a special rate that in most cases will be substantially lower than proposed post 1 April 2014 rates.

This might be because they left a job with a final salary scheme where they get a yearly statement showing the benefits (such as £5,000 a year in pension benefits when they reach pensionable age).

Often these benefits when converted into a cash equivalent transfer value ("CETV") can yield a high value (due to current low annuity rates). It is not unusual for the CETV's to be 15 to 20 times the value of the annual benefits.

**Case Study:** Take for example Mr. Worth who worked for an oil company for 12 years some thirty years ago. When he left his final pensionable salary was just shy of £9,000, not bad for back then. Fast forward to 2013 and after taking into account inflation, really low interest rates in the UK and the fact that the pension scheme is fully funded and his pension has a transfer value of over £200,000 – that's over 20 times what the final salary that he left on, more than he ever earned working there. By transferring his pension before 1 April 2014 Mr. Worth will have a tax saving of £60,000.

Years you have been living in NZ	Pension value (NZ Dollars)			
	\$ 25,000	\$ 50,000	\$ 100,000	\$ 250,000
7	297	594	1,188	2,970
9	1,029	2,058	4,115	10,288
11	1,737	3,475	6,950	17,375
13	2,425	4,849	9,699	24,247
15	3,090	6,179	12,359	30,896
17	3,735	7,470	14,939	37,348
19	4,359	8,719	17,437	43,593

### So what's changing?

The proposed changes clear up existing complicated rules on taxation of foreign pensions which have led to massive non-compliance, by proposing an income tax on a portion of a foreign pension transfer or lump sum payment. And the longer you have been living in New Zealand the higher the portion - ultimately, **up to 100%** of the value transferred or lump sum being declared as taxable income in your tax return.

But there is a gilt edged opportunity created in the rules, because the IRD recognises people have not been compliant with their tax obligations in the past they have stated that anyone who transferred their pension fund to New Zealand prior to 1 April 2014 will be able to elect to declare just 15% of the transfer as income in their tax return. The IRD have also given a way of way of meeting your tax obligation as well by allowing a withdrawal from your KiwiSaver to pay the tax.

So if you have been in New Zealand **for longer than seven years** you will have to declare more than 15% after 1 April 2014 so it might pay to transfer prior.

**The perfect catalyst to assess your UK pension – many people find that their transfer values are often far greater than they expected.**

Many people with UK pensions may have lost touch with the amount of the pension might be worth when it comes to transferring the funds to New Zealand.

### But time is running out if you want to transfer and lock in tax savings

With an estimated \$10B in UK pension benefits held by New Zealand resident expats and Kiwi's that have returned the flood of interest in getting pensions into New Zealand has already started. The funds must be transferred into a Qualifying Recognised Overseas Pension Scheme (QROPS) in New Zealand of which there are a limited number.

As the average transfer time is 3 to 4 months for a UK pension to be transferred to New Zealand time is running out and with a limited capacity for New Zealand schemes to process these pensions capacity will be stretched going forward so the time to act is now so if you elect to transfer your UK pension you can do so before 1 April 2014.

If you or people you know are yet to transfer your pension to New Zealand you can find out more about the legislation and its impact [here](#).

NOTE: It's important to understand that State Pensions and those that have or are already being paid to you in New Zealand or to an account in the UK CANNOT be transferred.

If you have already transferred your pension to New Zealand you can find out by clicking [here](#).

Simon Swallow is a director of Charter Square Services Limited. You can contact him [here](#).



**Andy Hopkins**  
ahopkins@catalystjobs.co.nz



**Phil Ponder**  
pponder@catalystjobs.co.nz



**Mireille Verdonkschot**  
mverdon@catalystjobs.co.nz

**Address:**  
PO Box 17405  
Green Lane  
Auckland 1546

Level 2  
642 Great South Road  
Ellerslie  
Auckland 1051

**Phone:**  
+64 9 307 6111

**UK freephone:**  
0808 234 3587

**Fax:**  
+64 9 307 6110

**Website:**  
www.catalystjobs.co.nz