



## MAY 2010

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### IMMIGRATION UPDATE

#### SKILLED MIGRANT CATEGORY POOL SELECTION

There were two draws from the Skilled Migrant Category pool in April. The pass mark for the draw on 7 April was 110 points and for the draw on 21 April, 130 points for Expressions of Interest not including skilled offers of employment. Both draws however also required applicants to claim a minimum of 10 points or 15 points (respectively) for work experience in an area of absolute skill shortage.

Citizens of the United Kingdom were the largest nationality by draw in April (16%).

#### INVESTOR 2 CATEGORY POOL SELECTION

There were no reported draws from the Investor 2 Category pool in April. For the year to date there have been approximately 107 selections within the annual quota of 300 places.

#### SILVER FERN JOB SEARCH WORK VISA SELECTION

At 10am on 27 April the 300 Silver Fern Job Search visas became available, and within 30 minutes they were all taken.

Advice will be provided by Immigration New Zealand in relation to the next intake in 2011. It is anticipated that the allocated places will increase with the gradual improvement in the employment sector in New Zealand

#### INTERNATIONAL TRAVEL AND MIGRATION : MARCH 2010

Statistics New Zealand has released their most recent figures on net migration.

The annual net migration gain was 21,000 in the March 2010 year, down slightly from the peak of 22,600 in the January 2010 year. In terms of the net inflow of migrants in March 2010, the majority were from the United Kingdom (in excess of 8,000), India (in excess of 5,000), and China (in excess of 3,000).

One point of interest was that visitor arrivals from Australia were up 20% from March 2009. This equates to a figure of in excess of 140,000 extra visitors from Australia for year end March 2010.

#### MIGRANT WORKER CONTRIBUTION

The Department of Labour's 2009 Employers of Migrants Survey released in April found that 87% of respondents rated their migrant employees "good or very good".

Over one third of employers also reported that migrant workers had skills and experience that were not available in New Zealand. Interestingly, nine out of ten of the employers had at least one migrant on staff and four fifths had employed a migrant in the last year.

Between 2001 and 2006 60% of New Zealand's work force growth came from permanent and temporary migrants.

One negative factor in relation to the report was a confirmation from employers that only 20% felt there were no particular challenges to hiring a migrant.

## **MIGRANT WORKER CONTRIBUTION** (Con't)

Most challenges in relation to employing a migrant are faced due to Immigration Regulations (in a temporary visa or permanent visa context).

Moves therefore from the Government in relation to issuing more open visas (such as the Silver Fern Visa) should be considered when New Zealand's unemployment rate falls to an acceptable level.

Employer misconception in relation to difficulties in hiring migrants and (perhaps) first hand experience in dealing with immigration applications does need to be addressed in order for New Zealand to compete with countries like Australia to assist skilled migrants to enter New Zealand's work force without undue resistance or complication.

For further information or assistance with emigration please contact **Mark Williams** of **Lane Neave Lawyers** on **+64 3 379 3720** or email **liveinnewzealand@laneneave.co.nz**



## **THE NEW ZEALAND EMPLOYMENT MARKET**

April's top five most sought after employees:

- 1 I.T & T – Consultant
- 2 Engineering – Management
- 3 Healthcare & Medical – Nurses and Midwives
- 4 Government & Defence – Local Government
- 5 Legal – Solicitor

I.T. and Technology consultants are the most sought after employees this month, with these roles gathering the least applications per advertisement. Engineering managers are a new addition to the top five. Nurses and midwives continue to feature in the top three. Quality, overseas based candidates will still command attention from New Zealand employers if their details are presented correctly and the total immigration process managed appropriately. The reluctance for employer's to consider overseas based candidates can be overcome if their credentials are marketed correctly.

## **WHAT SHOULD A NEW ZEALAND CV LOOK LIKE? HOW IS IT DIFFERENT FROM A UK CV?**

There should be no difference between the two CVs however, be careful if using colloquialisms. Most CV's will only be given between 10-15 seconds attention – so you need to engage the initial decision maker very quickly. The first page must tell them what they want so that they read on.

Ensure your key competencies are covered on the front page and match the job description as closely as possible. Every key competency should have an example reinforcing it - e.g. A skilled Business Development background and ability - Lifted business development activity by x% over the past six months from y to z.

*Ensure all your points of contact are appropriate and current. Make sure your CV includes your best case scenario of what you can offer, your career positions, company and achievements in each role.*

Your experience should be listed in chronological order with the most recent being first. Your most recent experience is highly relevant so ensure adequate detail is provided for assessment purposes. Details older than ten years are best noted in a brief summary or position titles only. It is essential that you ensure your CV is 'alive'. Review it regularly for content, layout and relevance."

Finally, keep your CV truthful, as embellishments are usually uncovered at your expense.

## IF I SEND MY CV TO A NEW ZEALAND RECRUITMENT AGENCY, WHAT WILL THEY DO WITH IT? WHAT SHOULD I EXPECT FROM A GOOD RECRUITMENT AGENCY?

“Recruitment within New Zealand is generally relationship based. A good New Zealand recruitment agency will show great interest in a quality candidate from the first point of contact and will populate their databases with your details quickly. However they will probably only contact you should an opportunity arise.

If you are a quality candidate – and remember this will be determined either from your CV or your first point of contact – you can expect a relationship based approach. They will contact you and try and make things as easy as possible for you, in the hope that they can market you into a company they already have a relationship with.”

For further information on employment opportunities, please call **Steve Baker** of Enterprise Recruitment on **+64 3 353 0680** or email him at [steve.baker@enterprise.co.nz](mailto:steve.baker@enterprise.co.nz)



**halofinancial**

## NEW ZEALAND IS A GREAT PLACE TO GO BUT THE KIWI DOLLAR ISN'T HELPING YOU GET THERE

You probably didn't need it but you now have two more incentives to get the heck out of Europe and into New Zealand. As I write, Britain is having trouble deciding who should govern the country after the party with the most votes and most seats in Parliament might not get to form a government and Europe is still arguing over Greece's financial problems and the larger story of debt across Europe. That is all happening just a short hop from where I am writing in London.

Each of these factors is weighing heavily on the currency markets and, at the time of writing, we are still awaiting a decision over whether Britain will be governed by a majority coalition or a minority coalition or whether the Conservative party will go it alone and run as a minority single party government. Each twist and turn strengthens or weakens the Pound and the market participants are voting very clearly with their feet. Any hint of a Conservative government strengthens the Pound whilst any hint of a Lib-Lab pact drops the value of Sterling. The announcement that current Prime Minister, Gordon Brown would resign in order to smooth the way for an agreement with the Liberal Democrat party caused a Sterling slump. Mr Brown may think it was a 'sad to see you go' reaction but it was very clearly a 'sad to see your party is staying' vote from the financial markets.

The other problem is that Sterling is also being buffeted by the on/off nature of the agreement to support Greece and allay fears about the other troubling economies in Europe. A package of some EUR 750 billion has been lashed together by the European Union and the International Monetary Fund and the US authorities have also weighed in with significant support to ensure Eurozone stability. Is it enough? No one knows yet but traders and commentators are very concerned that the EU has been a little too happy to bend its own rules and that rather than being an overt support network for an ailing member, their actions suggest the larger members are simply insulating themselves from the weaker members. It doesn't bode well for the future of the group and the Euro remains weak as a result. Sterling is hampered by this as the Eurozone is Britain's major trading partner.

Things in New Zealand are far rosier though; the economy has survived the global recession with amazing resilience and the NZ banking system was largely immune to the global credit crisis through a more prudent regulatory approach. NZ domestic demand remains fairly strong and the housing market has remained surprisingly buoyant, if not completely rampant. The Reserve Bank of New Zealand acted quickly to lower interest rates to a third of their pre-Lehman Brothers levels and that has kept the economy ticking over. More importantly, the whole picture is improving with Asian markets; New Zealand's largest export destination, growing more strongly than anything in the Western hemisphere and with commodity prices rising along with the pickup in demand. Foodstuff commodities make up a major part of New Zealand's export volume.

Sadly, all that good news is part of the reason the New Zealand Dollar is so expensive for those coming from the UK or EU. At no time since the Kiwi Dollar was allowed to float in 1985 has the Sterling to NZ Dollar exchange rate been lower than it is now and the last time we saw this exchange rate as low as it is today was when the NZ Dollar was pegged at an exchange rate of NZ\$ 1.39 to the US Dollar back in 1979.

## NEW ZEALAND IS A GREAT PLACE TO GO BUT THE KIWI DOLLAR ISN'T HELPING YOU GET THERE (Con't)

Sadly, whilst the automatic reaction to such a slump is that "It must bounce mustn't it" the fact is that we can't be certain of that. Nothing in the technical or fundamental analysis suggests the Kiwi Dollar ought to weaken from here and whilst we may see some recovery in the Pound if we get a decisive agreement on who will form the British Government, the nagging doubts will remain over Europe and the threat of a near term repeat UK election is still a possibility.

I know this is a slightly depressing report as far as the currency exchange is concerned but, that aside; there is no doubt that a move to New Zealand is a damned good idea economically speaking and for a life changing experience. You may find a lot more people wanting to join you after the stress we have all faced in the last couple of years. I'm going to dust off my cricket bat and see if I can get in on a working visa.

For a more thorough explanation of the current trends, please contact **David Johnson**; a Director of Halo Financial; specialist providers of foreign exchange for migration purposes on **+ 44 (0) 207 350 5474** or email him at [david.johnson@halofinancial.com](mailto:david.johnson@halofinancial.com)



April is always a transition month in the New Zealand real estate market as we move from the final fling of summer into autumn. While less activity is generally expected in April, last month was quieter than the same month in 2009 as both buyers and sellers stalled, awaiting the announcement of the Budget.

It was our view that whatever changes were announced - regardless of whether they were above, below or equal to expectations - they should have a positive impact on activity in our real estate marketplace as it lives on confidence, and once everyone finds out what is happening, no matter if they are considering buying or selling, they will have some facts upon which to act.

The impact of the Budget uncertainty on the volume of sales demonstrates how the real estate market operates on emotion more than logic. So, given today's interest rates and the great choice of property for sale in most markets, we expect that following the removal of the "fear of the unknown" sales activity should significantly increase.

In terms of the announcements themselves, they were pretty much in line with what the Government had indicated. The 'big one' - no capital gains tax - is a sacred cow and unlikely to be introduced anytime soon. As for changes to depreciation rules, they are largely balanced by personal tax cuts. The commercial sector probably had more nasty surprises and so that may be positive for residential investment as there may be some switching. Overall, a "steady as she goes" outcome from the Budget.

For further information and advice about the general property market in New Zealand please contact **Tim Harris** of Harcourts on **+64 3 355 6116** or email him at [tim@timharris.co.nz](mailto:tim@timharris.co.nz)



## TAX-Y RIDE

The 2010 Budget was more like the one that the Government would have liked to deliver last year - providing both up-front support to the economy, and structural improvements through changes to the tax system.

Tax reform was widely expected to be the most significant part of the Budget, and the changes went even further than we anticipated. Across-the-board income tax cuts, along with adjustments to benefits, will more than compensate for an increase in GST from 12.5% to 15% in October.

The company tax rate will drop from 30% to 28% next April, well ahead of the timetable for a similar cut in Australia. And the tax treatment around property has been toughened up.

#### **FIXED VS. FLOATING:**

Stronger data and a more confident tone from the RBNZ have cleared the path for a series of rate hikes, with June the most likely starting date. The decision to fix or float is finely balanced – floating rates are lower than short-term fixed rates at the moment, but they are likely to rise faster as the RBNZ increases the Official Cash Rate. Fixing, if even for a short term, has the advantage of greater certainty around cash flows, at a time when floating rates could be rising rapidly. Repaying more than the minimum amount, and spreading the loan over a mix of terms, can also help to reduce the overall risk around uncertain future interest rate changes.

For further information contact **Richie Owen**, Migrant Banking Manager on **+64 3 371 6093** or Email: **Richie\_owen@westpac.co.nz**

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