

Welcome to the September edition of Strictly Business

Greetings all

On the business front, all of the signs are still relatively positive for Rotorua with Rotorua's residential real estate sales for July 2005 remained solid. The number of permits issued for new dwellings was robust with an annual average growth rate of 16.9% for the year ended in July 2005. Over the last two months the number of car registrations has stabilised in Rotorua and the tourism market has been steady. The retail sales sector maintained its high level in the BOP region in June 2005. Overall Rotorua's economy has slowed down in the last few months but has possessed a similar level of economic activity to the national economy.



Regards: **Mark Rawson** Destination Rotorua Economic Development



Strong Local Support for Opportunities NZ Expo



More than 10 local businesses have been quick to secure places as business partners with Destination Rotorua Economic Development when they attend this year's Opportunities New Zealand Expo in London next month.

Hayes Engineering's manager operations and assistant general manager, Alan Richards said it was a good opportunity to look at the labour market in the United Kingdom. "We're happy to support this significant and relatively creative initiative by Council," he said. "It's been fairly low cost and low risk to undertake so we thought why not, what have we got to lose."

Mr Richards said Hayes Engineering believed that larger businesses should support the initiative in order for it to succeed and move forward. "Any gains Hayes Engineering's participation might make for our region are important and could provide a significant opportunity for smaller companies as not all businesses have the outreach that larger companies have. Rotorua has a tight labour market and we're expecting to see enquiries come forward from skilled trades people. We're hoping to bring some additional trades people into our current team, good quality solid people to grow our people and skills base within the manufacturing industry here. People complain about issues such as the shortage of labour but do nothing about it, we think the effort and focus of Council is to be supported."

A sentiment echoed by Kevin Scott, dealer principal of Farm and Garden Equipment, who said his organisation got involved because they haven't been able to fill positions advertised for higher skilled staff. "Training people takes a good number of years and trainees are not coming through quickly enough at the level of expertise required. Participation in the Expo gives us the opportunity to recruit staff at the levels required so that we can continue to meet our customers expectations and provide them with a higher level of service. Mr Scott said Farm and Garden Equipment became involved because they participate in Economic Development's skills development programme."



By talking and networking with other businesses we know we're not the only ones in the same situation.

At least we are trying to do something about the labour shortages," he said. "Working together as a group, irrespective of different types of industry backgrounds, we are able to pool resources in an effort to improve the situation."

QE Health's chief executive, Ben Smit, agreed that participation in the Expo was one of Council's better initiatives. "We're very, very short of allied health staff and while we do recruit from the United Kingdom on an ad hoc basis, advertising for staff there can be very expensive, participation in this year's Expo has been good value for money and already given QE Health good exposure."

"The United Kingdom aspect is good for QE Health as this is our target market and were experienced health workers. We're looking for long term respondents but are not particularly concerned if we get casual we understand the majority of people attending last year's Expo workers as many of them decide to stay," Mr Smit said.

Mark Rawson, Economic Development's general manager, said the support of local organisations had been fantastic. "This is the first time the Rotorua District will have its own presence at the Expo, so the support and foresight of these businesses is particularly outstanding." Mr Rawson said the initiative was already building momentum with interest having been received from British people who will be attending the Expo on 15 - 16 October at the IBIS Hotel Earl's Court. "We've already received three or four CVs from people looking to relocate to Rotorua". The other organisations supporting Economic Development's Expo initiative are Bayleys Rotorua, Health Rotorua, Lakes District Health Board, Newpower Electrical, Patchell Industries, Destination Rotorua District Council and Scion. Mr Rawson said it was also important for all businesses irrespective of whether they are part of the Expo initiative or not to know that they can list any jobs they have available on Economic Development's web site www.rotorua-living.com at any time free of charge. "The web site is currently generating 9 - 10,000 visits per month."

Opportunities New Zealand Expo business partners:



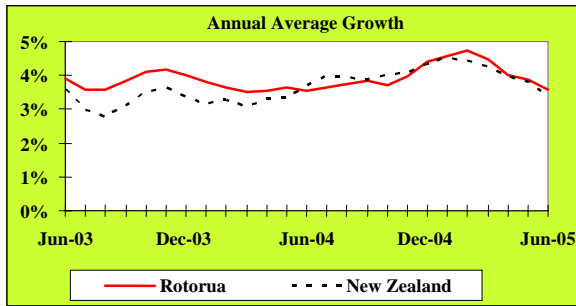
Why not Live and Work, where the rest of the World comes to Play ?

Affordable Relaxing Unique Central

www.rotorua-living.com

Local Monitor

Economic Growth



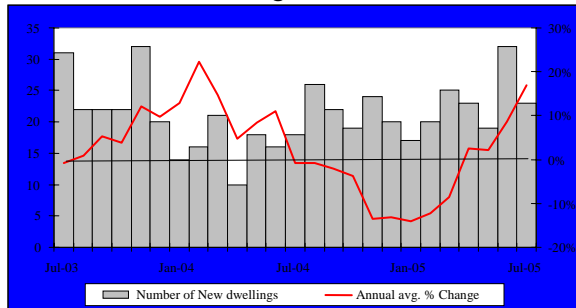
Source: APR Consultants

The APR index of economic growth is constructed from key indicators. The growth index shows that the business activity in Rotorua has slowed to 3.6% for the year ended June 2005.

Key Indicator Trends

This section of "Strictly Business" examines trends in key indicators of Rotorua's economic activity.

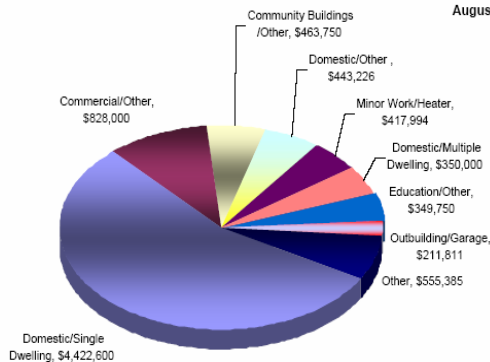
Building Consents



Source: Rotorua District Council

There were a total of 23 permits issued for new dwellings during the month. These were valued at approximately \$4.9 million. This figure was down from a high of 32 issued a month earlier but exceeded the 18 issued 12 months ago. The annual average growth rate in the number of permits issued for new dwellings was 16.9% for the year ended July 2005.

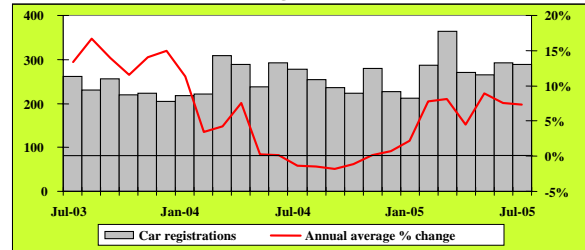
Value of Consents August 2005



Source: Application Status Report, 01August 2005 to 31August 2005, Rotorua District Council

Local Monitor

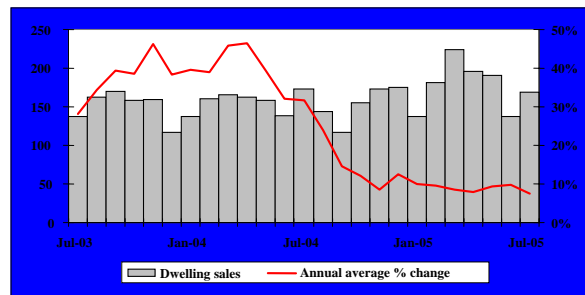
Car Registrations



Source: Land Transport Safety Authority

Car registrations have stabilised in Rotorua over the last two months. Including new and ex-overseas types, a total of 289 cars were registered in local postal offices during July 2005. This figure was marginally below the 293 registered in June 2005 but slightly above the 278 recorded in July 2004. The annual average growth rate in the number of new and ex-overseas car types was a robust 7.3% for the year ended July 2005.

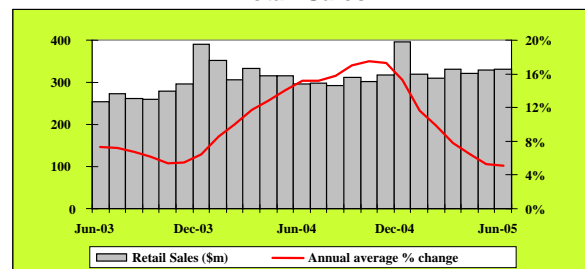
Residential Real Estate Sales



Source: Real Estate Institute of New Zealand

In July 2005 the housing market remained solid in Rotorua. There were a total of 169 properties sold during the month, an increase of 32 from June, but down four compared with the 173 sold in July 2004. The median sale price rose by \$17,000 from June 2005 to reach \$197,000 in July. The annual average growth rate in the volume of dwelling sales was 7.5% for the year ended July 2005.

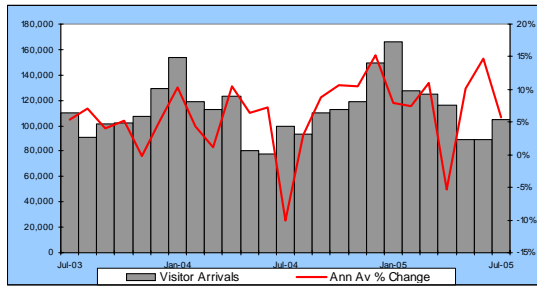
Retail Sales



Source: Statistics New Zealand

The retail sales sector maintained its high level in the BOP region in June 2005. Total sales reached \$331.5 million during the month, marginally higher than the \$329.2 million recorded in June, but well above the \$296.6 million recorded in July 2004. The annual average growth rate in the value of retail sales has increased by 5.1% for the year ended June 2005.

Visitor Arrivals



Source: Statistics New Zealand – Commercial Accommodation Monitor, and APR Consultants – Private Accommodation Monitor

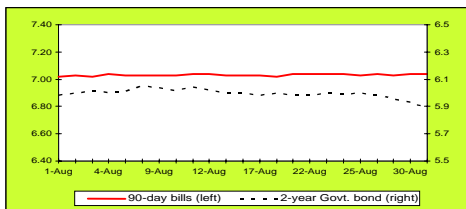
There were 105,004 overnight visitor arrivals to Rotorua's commercial and private accommodation during the month of July 2005 - an increase of 5,747 visitors or 5.8% over July 2004. On average they each stayed 2.2 nights for a collective 228,862 nights. For the year ending July 2005 there were 3,379,003 visitor nights spent in Rotorua, a 10.3% increase over the previous year.

Full report available at:

http://www.rotoruaNZ.com/information/research_statistics/rotorua-tourism.asp

National Monitor

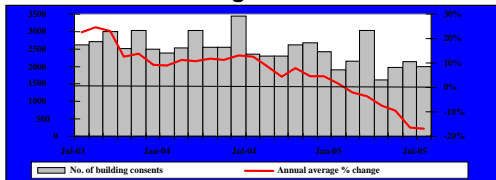
Interest Rates



Source: Reserve Bank of New Zealand

Despite a small fall in the two-year government bond yield during August, New Zealand's wholesale interest rates remained stable throughout the month. By the end of the month, 90-day bill rates have stood at around 7.04%, almost the same as a month ago.

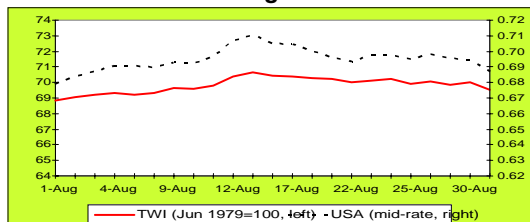
Building Consents



Source: Dept of Statistics Building Surveys and Vitals Section

The residential building market has been flat since April 2005, and July was not an exception. The annual average growth in the number of permits issued for new dwellings was 16.8% for the year to July 2005.

Exchange Rates



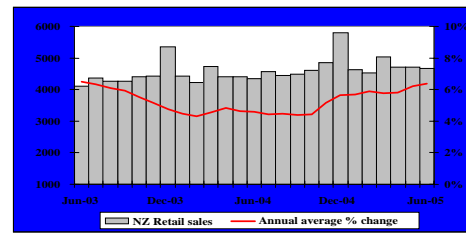
Source: Reserve Bank of New Zealand

The New Zealand's dollar appreciated against its major trading partners' currencies for the first 10 days of August and managed to maintain a relatively high level for the rest of the month.

Gain more exposure for your business by listing on www.rotorua-business.com
Looking for skilled staff? Advertise on www.rotorua-business.com/employment.asp

National Monitor

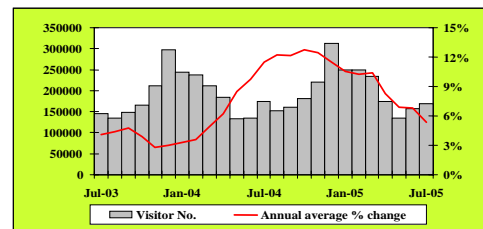
Retail Sales



Source: Business Statistics Section, Statistics New Zealand

The value of retail sales in New Zealand dipped from \$4,716.4 million recorded in May 2005 to \$4,662.5 million in June. This figure was an increase of \$321.1 million (or 7.4%) on the level of sales recorded in June 2004 figure. The annual average growth rate in the value of retail sales was 6.4% for the year ended June 2005.

International Arrivals



Source: Statistics New Zealand

The annual average growth rate in visitor arrivals has slowed from 6.8% for the year ended June 2005 to 5.3% for the year ended July 2005.

Summary

While the New Zealand economy is slowing down, the labour market as confirmed by the latest HLFS remains strong.

The June quarter HLFS shows that the underlying economic fundamentals remain solid. This result is consistent with the June 2005 Quarterly Forecast published by NZIER. According to NZIER, the economy will slow from a growth rate of 4.1% for the March 2005 year to around 2.0% for two following years. The economy is forecast to rebound back to a growth rate of 2.4% and 2.9% in the year to March 2008 and the year to March 2009 respectively.

The key driving forces behind a slowing down in the economy are domestic demand becoming weaker as household income and spending slow down. External sectors will be affected by deteriorating terms of trade and a moderation of international demand. However, the NZIER also points out three favourable conditions for the New Zealand economy:

1. Household consumption will continue to grow, supported by wage and income growth.
2. Cheap imported capital items will allow business investment to grow in the short-term.
3. Growth in exports will accelerate as the New Zealand dollar depreciates over the next three years.

Looking at the National Bank's Business Confidence Survey, business confidence improved in August 2005, with pessimists outnumbering optimists. A net 32% of firms expected general economic conditions to deteriorate over the coming year. This survey result was better than a net 42% in July who expected economic conditions to deteriorate over the coming year.

Check out the Limited edition Rotorua promotional magazine designed specifically for the New Zealand Opportunities Expo in London !



A limited edition coffee table book has been custom designed and produced to enhance our presence at the Opportunities New Zealand Expo to be held in London in mid October.

The aim of the book is to profile Rotorua through a series of articles in which we highlight Rotorua as a great place to Work and live in.

There are three sections to the book

The first section profiles Rotorua as a great lifestyle destination offering great value, a generic view of our region highlighting the advantages of living and working in Rotorua.



The second part of the book highlights the testimonials of British immigrants who have moved to Rotorua, this is done through a series of testimonials in which immigrants relate the experiences of their moves to Rotorua.

The final and most critical section highlights those companies who have partnered with us in this exciting venture; we profile the companies as well as job opportunities that those companies currently have on offer.



For more information on this book please follow the links on

<http://www.rotorua-living.com>

List your current job vacancies free of charge online now at www.rotorua-living.com Currently 9-10 000 visits monthly

Simply e-mail us at info@rotorua-business.com with your current vacant positions and we will post them to the website within 48 hours. Remember there will be literally thousands of U.K. Based people looking at this section of the site for employment opportunities over the next couple of months.

Your position advertisement should contain

1. Position Title
2. Position Overview (up to 500 words)
3. Your contact details and **optionally** - a logo and/or Web address if you have these.
4. Closing date of the position
5. simply e-mail to info@rotorua-business.com

“Growing Your Business with Market Driven R&D”

Seminar to assist companies, entrepreneurs and inventors to manage innovation, research and development in a sustainable way that maximises profitability.

Feature Presentations:



Networking Luncheon

Workshop 1: How to avoid R&D that nobody buys –
Convener: Alan Groves

Workshop 2: Resource support for R&D –
Convener: Fraser Smith, Technology NZ

Workshop 3: Managing R&D that succeeds –
Convener: Jane Lancaster

Workshop 4: Raising Funds to Commercialise R&D-
Convener: Brett Hewlett

When: 10.00am – 4.00pm, Wednesday 5th October 2005

Where: Bay of Plenty Polytechnic, Windermere Campus, Tauranga



Enquiries:

Jenny Milson 07 577 6199

Register by: Monday 3rd October to guarantee your place (seats are limited!).

To register: Send an email to jenny.milson@nzte.govt.nz with your registration form or fax to 07 577 6010

Export New Zealand Murray Hill presentation

On Thursday 15 September Murray Hill, Senior Partner with Sharp Tudhope Lawyers presented a seminar to Rotorua exporters “Legal Traps for Exporters – Product Liability”. The exporters in attendance possessed a wide variety of experience, however they had one thing in common, they were suddenly aware of how important it was to ensure their products were labelled correctly with appropriate warning messages, and have a thorough understanding of the importance of comprehensive insurance advice and cover. Few exporters in New Zealand, having been protected for many years by ACC legislation, have a sound knowledge of how their company and it’s assets are at risk should their product/s injure, directly or indirectly. Few had any knowledge that Australian litigation is in fact WORSE than the States. Murray who has been studying product liability legislation for 20 years advised that many NZ exporters do not give enough thought to the possibility of their product causing injury to people or property overseas. There are several non expensive and easy steps that can be taken to minimise exposure. Export New Zealand brings short seminars to Rotorua monthly in conjunction with the Rotorua Chamber of Commerce . **Next seminar is booked for 13 Oct on the topic of INCOTERMS and Contracts**

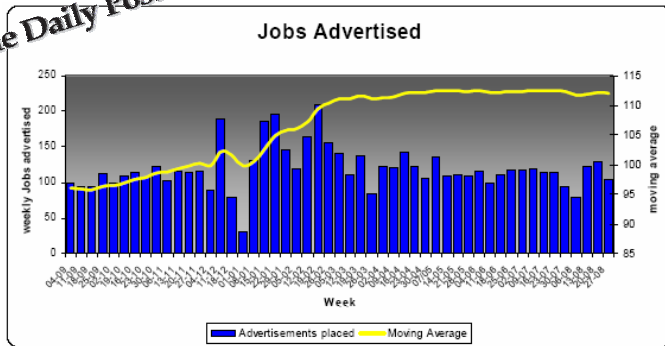


For more information contact:

Joanne Buxton
Export New Zealand, Bay of Plenty
PO Box 13 202, Tauranga
Ph: 07 571 0600 Fax: 07 577 0364
Email: bop@exportnewzealand.org.nz
www.exportbop.org.nz
www.exportnewzealand.org.nz

Employment Advertisements

The Daily Post



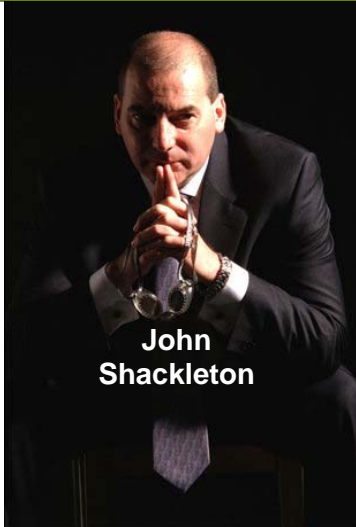
The number of jobs advertised are still above the norm with the average for August 2005 on 109 as compared to 105 over the same period last year. The 12 month moving average is currently at 9% above last year. The top positions advertised were once again Retail, Agriculture, Accommodation and the Health Sector. There is still a strong need for qualified staff in all sectors.

	Aug 04	Aug 05	12 mth
Retail	10	15	17
Agriculture	12	11	16
Accommodation	12	10	14
Health	9	11	11
Other	63	63	61
	105	109	119

Average jobs advertised weekly in the Saturday Daily Post

Source: Economic Development monitoring of Saturday Daily Post

Business Swap Rotorua Business SWAP Big Breakfast-



John Shackleton

John has achieved his sporting success late in life after realising that it was low self esteem that held him back in his youth. At the age of 50 John is swimming faster than he was as a teenager, when international sporting stardom was within his grasp. A huge inferiority complex consistently denied him the triumph his talent deserved but studying sports psychology helped him to overcome this.

His enlightening and exhilarating journey towards TOP international sporting achievement culminating in a top five placing in both the 100m & 400m Freestyle events at the 2000 World Masters Swimming Championships in Munich. It's a unique story about triumph over adversity and It has made him an unusual and sought after business coach.

Today, it makes him a unique and powerful motivational speaker with a story borne out of life experience not trite text book theory.

John says "My passion is showing people that self limitation is what holds us back. Sport psychology teaches us about self belief and how important it is to achieving peak performance. All we need to do is to apply the techniques that sports people use, to our business and personal life. Applying these techniques means that we can achieve so much more."

Wednesday 05 October 2005

Royal Lakeside Novotel

6.50am for a 7am - 9am

\$20.00 members

\$30 non members

Enquiries: Raewyn

telephone: 07 348 0234

[Registration@businesswap.biz](mailto:Registration@businessswap.biz)

Rotorua Chamber of Commerce

HUGE DEMAND FOR BUSINESS AWARDS

The Chamber is looking forward to the culmination of this year's Westpac Business Excellence Awards with the Gala Presentation Dinner to be held at the Southern Trust Sportsdrome on Friday 30 September. There has been unprecedented demand for tickets with the 'House Full' sign going up after the tickets had been on sale for just five days. This is the first occasion that tickets have sold out prior to the event.

The Gala Presentation Dinner will see 30 finalists in ten categories being profiled with a winner selected to receive the trophy. Each of the winners in the six 'business' award categories become premier award finalists. Only one will receive the accolade of being The Westpac Rotorua Business of the Year, the ultimate award.

OCTOBER IS CHAMBER MONTH



The Chamber is celebrating an anniversary during the month of October that will see a number of high profile business activities. Starting with the Gala evening of the Business Awards, the month will also feature the Ford Lunch and Boost Productivity Seminar, with special evenings for the Chamber sponsors and new members. Two popular Business After Fives will also be featured.

A special incentive is being offered for new members to join the Chamber and enjoy the benefits of this vibrant organisation.

For more information:

Roger Gordon, CEO, 07 349 6126 or 0275 381228

Dr Margriet Theron, President, 07 3477211 or 021 1729697

Visit their Web page for the full list of 2005 Finalists

<http://www.rotchamber.co.nz/businessawards/default.asp>

RDC Planning Services

Our **Team Leader, Customer Services**, Rick Dunn's, role is to develop excellent customer relationships and networks for Planning Services. Rick is happy to assist with any ideas or queries.

For your planning enquiries contact:

Rick Dunn

Telephone 07 348 4199 or 350 0209 ext 8046

E-mail: rick.dunn@rdc.govt.nz



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Looking for skilled staff? Advertise on www.rotorua-business.com/employment.asp

Business Mentors New Zealand provides free business mentoring to businesses that have been operating for at least six months and have fewer than 25 staff. This service is provided in Rotorua under the umbrella of Destination Rotorua Economic Development.

Topics covered include:

- strategic planning,
- finance and accounting,
- marketing, human resources,
- legal compliance,
- process management and more.



Take advantage of this opportunity and follow the simple instructions to request a mentor on the website <http://www.businessmentor.org>, or phone 0800 103400.

Become involved !!!

“Why not Live, Work, Invest and Do Business where the rest of the world comes to Play?”

Strictly Business

Subscribe to our free monthly newsletter containing a Rotorua economic monitor, business news & events.



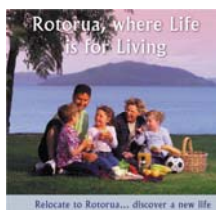
www.rotorua-business.com

Log on to www.rotorua-business.com and take a look at the official Rotorua living, working, investing and doing business site generating around 70,000 hits and 9,000 visits per month. Enhance your business communication strategy by registering on the Rotorua business database or list your latest job vacancy.



Rotorua “where life is for living” publication

Call us to purchase a pack of 10 for \$20.00. 2000 copies have already been utilised this year in assisting local companies with their employee, investment and business attraction to Rotorua efforts.



For more information : Visit our Web Site www.rotorua-business.com or contact us Tel 348 4199 Ext 8055 or e-mail info@rotorua-business.com

New Zealand Trade and Enterprise

Enterprise Forum – October 2005

“Growing Your Business with Market Driven R&D”

Seminar to assist companies, entrepreneurs and inventors to manage innovation, research and development in a sustainable way that maximises profitability.

When: Wednesday, 5 October, 2005 10.00 am to 4.00 pm

Where: Bay of Plenty Polytechnic, Windermere Campus, Tauranga

Cost: \$30.00 (GST inclusive) per person

Send an email to jenny.milson@nzte.govt.nz with your registration form or fax to 07 577 6010

Rotorua Business Swap Big Breakfast

John Shackleton

Wednesday 05 October 2005

Royal Lakeside Novotel

6.50am for a 7am - 9am

\$20.00 members

\$30 non members

Enquiries: Raewyn

telephone: 07 348 0234

Registration@businessswap.biz

Free Business Workshops

“Business Systems ” Workshop – 12 October 2005

“Managing Your Finances For Profit” Workshop – 12 October 2005

“Marketing – Differentiate Or Die” Workshop – 19 October 2005

“Marketing – Differentiate Or Die for Educational Sector Businesses” Workshop – 20 October 2005

“Marketing – Differentiate Or Die for Manufacturing Businesses” Workshop – 20 October 2005

PLACES ARE LIMITED - These workshops are provided at **NO Financial Cost** to you. Participation entitles you to **FREE Follow Up Coaching** to assist you to implement what you have learned into your business.

For access and details about the business workshops call Bruce Cheeseman at Telephone; (07) 572-1184 or 0800-424943.

Email Bruce at bruce.cheeseman@paradise.net.nz

Cellphone: 027 5893432

Feedback

If you have anything to contribute please let us have your news, views or stories, as well as any business events you have coming up by contacting us:

Chris Heywood (Economic Development Unit Project Officer)

Tel (+64) 7 348 4199

Fax (+64) 7 350 0182

E-mail; Chris.Heywood@rdc.govt.nz

Supplementary Building Information

ROTORUA

August 2005

Type of Consent	Total Value of Consents	Number of Consents
Commercial/Restaurant	14,000.00	1
Commercial/Supermarket	10,000.00	1
Commercial/Other	828,000.00	8
Community Buildings /Other	463,750.00	4
Domestic/Single Dwelling	4,422,600.00	17
Domestic/Multiple Dwelling	350,000.00	1
Domestic/Other Structure	30,000.00	4
Domestic/Other	443,226.40	14
Domestic/Resite	137,000.00	4
Domestic/Pools	30,000.00	1
Domestic/Conservatory	15,000.00	1
Domestic/Demolition	2,000.00	2
Education/School	10,000.00	1
Education/Other	349,750.00	3
Education/Playgrounds	31,593.37	1
Farm Buildings/Implement Shed	60,616.00	2
Farm Buildings/Other	10,000.00	1
Industrial/Wood Processing	91,520.00	1
Minor Work/Heater	417,994.00	178
Minor Work/Plumbing	26,958.00	5
Minor Work/Other	19,700.00	6
Outbuilding/Garage	211,811.00	16
Outbuilding/Sleepout	15,000.00	1
Outbuilding/Carport	3,790.21	1
Outbuilding/Other	48,207.00	3
Total	8,042,515.98	277

SOURCE: Application Status Report, 01 August 2005 to 31 August 2005, Rotorua District Council.