



Asia Pacific Federation of Human Resource Management

New Zealand Report – September 2012

www.hrinz.org.nz

Economic Profile¹

New Zealand is a parliamentary democracy situated in the south west Pacific. It has a population of around 4.3 million in a country similar in land area to Japan. New Zealand has a market economy with sizeable manufacturing and services sectors complementing a highly efficient export-oriented agricultural sector. Exports of goods and services account for around one third of real expenditure GDP. New Zealand's high proportion of winter sunshine hours and considerable rainfall provide an ideal resource base for pastoral agriculture, forestry, horticulture and hydro-electricity generation. Hydro-electricity provides a relatively cheap source of energy and has allowed the development of energy-based industries such as aluminum refinement. New Zealand is also a popular overseas visitor destination and tourism is an important source of export income.

Canterbury Earthquakes

On 22 February 2011, the Canterbury region on the east coast of the South Island experienced a devastating 6.3-magnitude earthquake. A total of 181 people were killed; the second deadliest natural disaster in New Zealand history. This followed a 7.1-magnitude earthquake on 4 September 2010, in which there were no casualties. The earthquakes (including subsequent aftershocks) caused widespread damage, in particular to the CBD and eastern parts to the city.

The New Zealand Treasury estimates the damage from the earthquakes at around \$20 billion (10% of GDP), much of which is covered by private insurance, which is reinsured through overseas insurance companies, and the government-owned Earthquake Commission (EQC). Despite the significant amount of disruption caused by the earthquakes (in particular the February earthquake), the clean-up and demolition operations helped minimise the immediate growth impact. Many businesses were able to relocate out of the badly-damaged CBD and keep trading. Primary and manufacturing production in the region was not significantly affected.

The Canterbury rebuild is expected to be a significant driver of economic growth over the next five to ten years. The timing and speed of the rebuild is uncertain, in part due to ongoing aftershocks, but the New Zealand Treasury expects it to commence around mid-to-late 2012.

Labour Market

The labour market recovery from the downturn following the GFC has been fairly muted, with unemployment still at a relatively high level of 6.3% in the December quarter 2011. This comes after the unemployment rate rose from a low of 3.4% in the December quarter 2007 to peak at 7.0% in the December quarter 2009. The Canterbury earthquakes have had a significant effect on the labour market, with employment 8% lower in the region in the year to September 2011. Excluding Canterbury, employment rose 2.8% over the same period, giving overall growth of 1.1%.

External Trade

The prices of commodities that New Zealand exports were at record high levels in early 2011, after more than recovering the significant falls experienced during the GFC. The high commodity prices were

¹ www.treasury.govt.nz

widespread, including dairy products, meat and logs owing to surging demand from China. The high commodity prices flowed through to a historically high terms of trade, as export prices rose much faster than import prices. The terms of trade rose above their previous March 2008 peak, after falling 15% during the GFC. The strong terms of trade provided an offset to the weaker real economy, helping to boost nominal GDP. Since early 2011 global conditions have deteriorated somewhat; the terms of trade came slightly off its peak in the September quarter, with further moderation expected.

Outlook

The New Zealand Treasury expects annual average growth in the economy to be 2.3% in the March 2012 year and 3.1% in the March 2013 year, driven mainly by the Canterbury rebuild and recovery in domestic demand. Recovering world demand, as well as still-high commodity prices should also assist export growth, although this is dependent on the global outlook.

The performance of the global economy exceeded expectations in 2010, but then slowed significantly as public stimulus measures faded, natural disasters in Japan and Australia caused disruption, and Europe sovereign debt issues re-emerged. However, New Zealand's increasing exposure to the faster growing areas of the world, in particular Australia and Asia excluding Japan, resulted in exports holding up better than otherwise would have been expected. New Zealand trading partner growth is expected to moderate in 2012, before picking up again in 2013. While private consumption is expected to pick up, spending is likely to remain subdued as households remain cautious. Investment is expected to grow strongly as the Canterbury earthquake rebuild gets underway. The housing market is expected to remain subdued, with weak house price growth constraining household spending.

Current Trends

Employment Data²

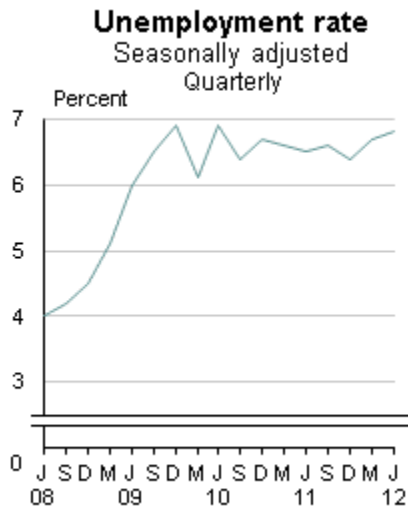
In the June 2012 quarter compared with the March 2012 quarter:

- The employment rate fell 0.3 percentage points, to 63.8 percent.
- The number of people employed decreased by 2,000 people.
- The unemployment rate rose 0.1 percentage point, to 6.8 percent.
- The number of people unemployed increased by 2,000.
- The labour force participation rate fell from 68.7 percent to 68.4 percent.

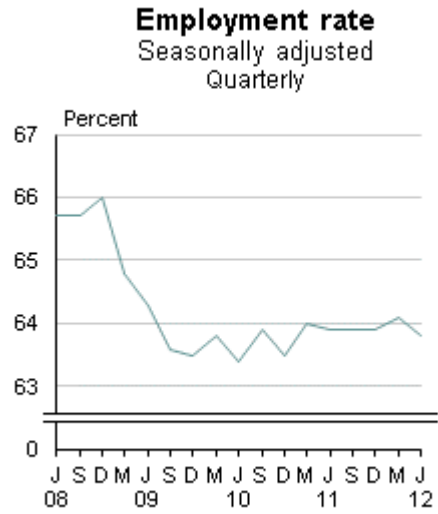
² www.stats.govt.nz

All figures are seasonally adjusted.

	June 2012 quarter	Quarterly change	Annual change
	(000)	(Percent)	
Unemployed	162	+1.1	+4.3
Employed	2,227	-0.1	+0.6
Not in the labour force	1,103	+1.4	+0.7
Working-age population	3,492	+0.4	+0.8
	(Percent)	(Percentage points)	
Unemployment rate	6.8	+0.1	+0.3
Employment rate	63.8	-0.3	-0.1
Labour force participation rate	68.4	-0.3	0.0



Source: Statistics New Zealand



Source: Statistics New Zealand

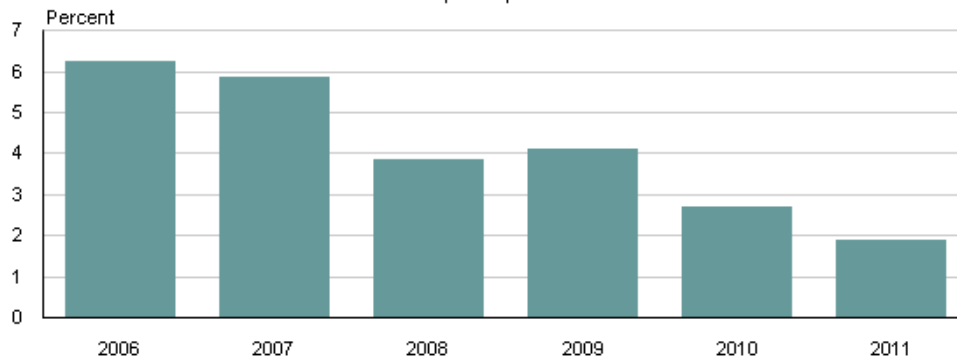
New Zealand Income Survey: June 2011 quarter³

Between the June 2010 and June 2011 quarters:

- Median hourly earnings had the lowest recorded increase since the June 2000 quarter, up 1.9 percent to \$20.38.
- Median weekly income for those receiving income from wages and salaries was \$800 (up 4.0 percent).
- Median weekly income from all sources for all people increased 3.9 percent to \$550.
- Median weekly income from government transfers for those receiving income from this source increased 4.4 percent to \$280.
- There were increases in both the number of people aged 65 and over receiving income from government transfers and the median weekly income received from this source up 3.4 percent and 7.6 percent respectively.

Change in median hourly earnings for wage and salary earners

June quarter compared with previous
June quarter, 2006–11



Source: Statistics New Zealand

GDP Update⁴

Gross domestic product (GDP):

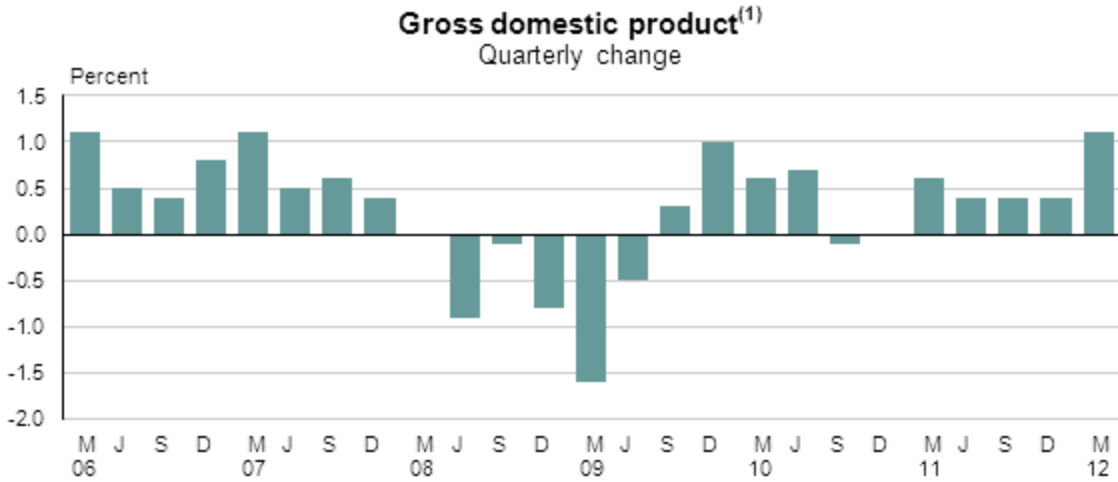
- Economic activity increased 1.1 percent in the March 2012 quarter.
- Manufacturing (up 1.8 percent) was the largest contributor to economic growth this quarter.
- Business services (up 2.0 percent) and agriculture (up 2.3 percent) also contributed to growth.
- Economic activity for the year ended March 2012 was up 1.7 percent.

Expenditure on gross domestic product:

- The expenditure measure of GDP was up 0.8 percent in the March 2012 quarter.
- Gross fixed capital formation was up 1.7 percent.
- For the year ended March 2012, expenditure on GDP was up 1.0 percent.
- In current prices, expenditure on GDP was \$202 billion for the year ended March 2012.

³ *ibid*

⁴ *ibid*



1. Seasonally adjusted chain-volume series expressed in 1995/96 prices.

Source: Statistics New Zealand

Update on the HR Institute of New Zealand

Leadership



Catherine Taylor FHRINZ

National President
Member of Board

Real Life Role
General Manager, HR Resources
Kiwi Bank
Wellington



Rachel Walker FHRINZ

National Vice President
Member of Board

Real Life Role
General Manager
Delta Utility Services Ltd
Dunedin



Tony McKone AFHRINZ

Member of Board

Real Life Role
Employment, Relationships & Safety Manager, IRD
Wellington



Debbie Dawson FHRINZ

Member of Board
Past Chair of the Research & Publications Committee
Member of Practitioner Grading Panel
Member of Academic Grading Panel

Real Life Role
Consultant, Dawson McKenzie Consulting
Canterbury



Craig Morris FHRINZ

Member of Board

Real Life Role
Human Resources Manager
Bay of Plenty Regional Council



Julia Stones AFHRINZ

Member of Board

Real Life Role
Principal
HR2Go
Auckland



Rowan Tonkin FHRINZ

Member of Board
Member of Grading Panel

Real Life Role
Chief HR Officer

Turners & Growers
Auckland



Noel Davie

Member of Board

Real Life Role
Executive Director

Strategic Pay Limited
Dunedin

National Office

Chief Executive



Beverley Main LHRINZ
Key Responsibilities

- Strategy and Leadership
- Financial Management Control of the Institute
- International and Strategic Alliances
- National Conference Programmes
- Representation - External
- Sponsorship, Marketing and Promotions
- Constitution
- Compliance
- Returning Officer

External Activities

- Member of the Industrial Relations Institute Advisory Board, VUW
- Member of the Work & Labour Market Institute Advisory Board, AUT

Research and Education Manager



Brenda Tweedy MHRINZ

Key Responsibilities

- Career & Education Enquiries
- HR Guides - Website
- HRINZ CareerLog
- Professional Accreditation
- Research & Publication Enquiries
- HR Educators eNewsletter
- HRINZ Postgraduate Scholarships
- Committee Secretariat
- Academic Branch Committee Secretariat
- Education Endorsement Programme (EEP)

Membership Manager



Louise Robert

Key Responsibilities

- Membership Growth Strategy
- Membership Enquiries and Services
- Branch Assistance - Events and Enquiries
- Orientation Day and Branch Training
- Developing Tertiary Relationships
- Promotion of Scholarship and Student Ambassador Programme
- HRINZ Mentoring Programme

Membership Administrator



Saasha Everiss

Key Responsibilities

- New Members
- Membership Enquiries
- Membership Database
- Committee Elections
- Surveys
- Branch Resources

Communications Manager



Mike Metcalfe

Key Responsibilities

- Inbound and outbound communications
- HRINZ Publications
- Brand Management
- Social Media
- PR/Media Enquiries

Office Administrator



Jen Bailey

Key Responsibilities

- Branch Liaison & Event Assistance
- Office Administration
- Event Management Support
- Advertising Enquiries
- Email Communications
- Website Help Desk

Accountant



Jane Symmes

Key Responsibilities

- Financial Accountant
- National Office and Branch Accounts
- Debtors and Creditors
- In-house Accounting Systems
- Audit Preparation
- Financial Compliance
- Budget

Executive Assistant



Michelle Tattersall

Key Responsibilities

- Assisting Chief Executive
- National Conference Support
- HRINZ HR Awards
- Event Management Support
- Meeting Preparations
- Accounts Assistance

Programme Manager



Emily Byrne

Key Responsibilities

- National Professional Development Programme
- National Event Support
- Event Communications

Auckland Branch Co-ordinator



Jayne Richardson
Key Responsibilities

- Auckland Branch Event Registrations
- Auckland Branch Event Co-ordination

Canterbury Branch Co-ordinator

Petra Bulandova

Key Responsibilities

Canterbury Branch Event Registrations
Canterbury Branch Event Co-ordination

Governance and Committees⁵

Supporting the Board and Executive, the HRINZ has four standing panels and committees for engaging with the academic sector, accreditation of members, managing research and publications and partnering with training and education partners in pursuit of membership services excellence. Details may be found following the links below.

- [National Board](#)
- [Executive Committee](#)
- [Academic Grading Panel](#)
- [Practitioner Grading Panel](#)
- [Research & Publication Committee](#)
- [Education Enhancement Programme](#)

Membership

Membership stands at approx 4000 which is over 50% of the HR sector in New Zealand. The Institute only offers individual membership of which there are two main categories:

- **General Members** are people who are interested or involved in some aspect of Human Resources management and development.
- **Professional Members** are members who seek and gain the institute's formal recognition and accreditation of their skills, knowledge and experience in Human Resources management and development. This group is growing at 12.5% pa and stands at just under 10% of the Institute.

The first level of Professional Membership is recognised with the suffix - **MHRINZ** (Generalist and Specialist). The second level of Professional Membership is when the member is subsequently recognised by the institute and can advance to become Associate Fellows - **AFHRINZ** - and Fellows - **FHRINZ** - in recognition of outstanding contribution to Human Resources and the institute.

Professional Membership. Accreditation is an important membership step. It demonstrates that a Human Resources practitioner has satisfied the institute that they have particular qualifications and experience and possess an ongoing commitment to professionalism and excellence. Accreditation also provides a visual reminder to others that the member has advanced skills and knowledge in Human Resources Management.

Professional Members have full rights to participate in the activities and affairs of HRINZ, including the right to hold membership of the National Board and various other governance roles in the institute. Professional Members are presented with a certificate to recognise their status and may use the letters **MHRINZ** to denote Generalist Member or **SHRINZ** to denote Specialist Member, after their names.

Fellows. Associate Fellows will have had Professional Membership status for at least two years and who have been recognised by their Branch peers as having been actively involved as an influential leader in the HR community and branch. Fellowship of the institute is only granted to leaders in the HR Industry who have had Professional Membership status for at least five years and satisfies the Board of a high standard of personal integrity and professional competence; and has made an outstanding contribution.

⁵ www.hrinz.org.nz

Social Media

HRINZ uses social media to reach members with regular updates being made most weeks on twitter, Facebook and HRINZ blogs. Linked In also features HRINZ discussion groups

Academic Linkages

The inaugural Research Forum was held in Auckland in November 2010 and a Post Graduate Research Event will be held in September. These initiatives are hosted by the HRINZ Academic Branch and enable effective linkages and networking between practitioners and applied HR research work by Academics and students from New Zealand universities.

Professional development Update

October 2012	
3 October	<u>Refresh HR: HR Emergency Preparedness, AM (Akld)</u>
3 October	<u>Resolving Conflict & Creating Positive Change Webinar</u>
9 October	<u>Enhanced Interviewing Skills for HR Professionals (Wgtn)</u>
10 October	<u>Sickness, Stress and Medical Incapacity Webinar</u>
18 October	<u>Refresh HR: Recruitment & Selection, AM (Akld)</u>
23 - 26 October	<u>Strategic Human Resource Management (Rotorua)</u>
29 October	<u>Positive Approaches to Organisational Restructuring (Wgtn)</u>
31 October	<u>Smart Government New Zealand 2012</u>
31 October	<u>Positive Approaches to Organisational Restructuring (Akld)</u>
November 2012	
2 November	<u>Refresh HR: Disciplinary Dilemma 2, AM (Chch)</u>
2 November	<u>Refresh HR: Managing Medical Incapacity, PM (Chch)</u>
6 - 10 November	<u>LEADR 5 day mediation workshop</u>
7 November	<u>The Power of Effective Communication Webinar</u>
8 - 9 November	<u>Organisational Development Forum. Theme: Embedding Innovation</u>
8 November	<u>Refresh HR: Holidays Act, AM (Akld)</u>
15 November	<u>HRINZ Research Forum</u>
20 November	<u>Refresh HR: Disciplinary Dilemma 2: Misconduct, AM (Wgtn)</u>
20 November	<u>Refresh HR: Remuneration & Rewards, PM (Wgtn)</u>
21 November	<u>Essential Employment Law (Wgtn)</u>
27 - 29 November	<u>HR Foundations (Akld)</u>