

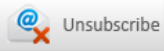
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## MEActive - August 2010

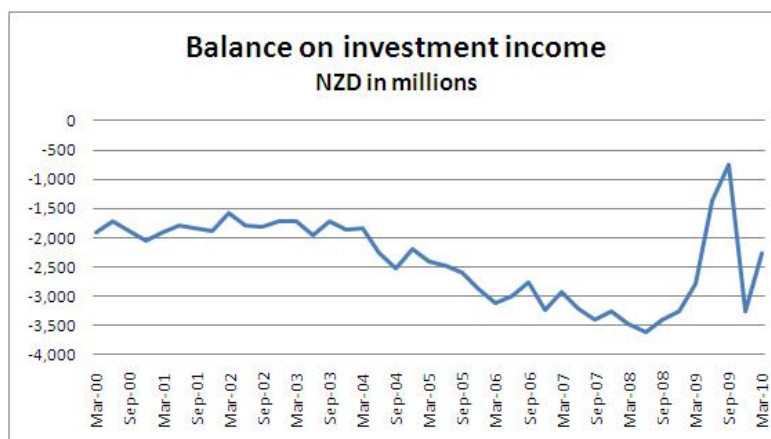
Welcome to the New Zealand Manufacturers and Exporters Association's monthly e-news, giving a series of updates on what we have been working on to make things better for manufacturers and exporters.

- [CEO Comment](#).
- [NZMEA Alert](#) - Call for comments on submissions/discussion documents.
- [Media Coverage](#) - Where we have been reported over the past month.
- [Media Releases](#) - Circulated to all media by the NZMEA.
- [Upcoming Events](#).
- [NZMEA Survey of Business Conditions](#).

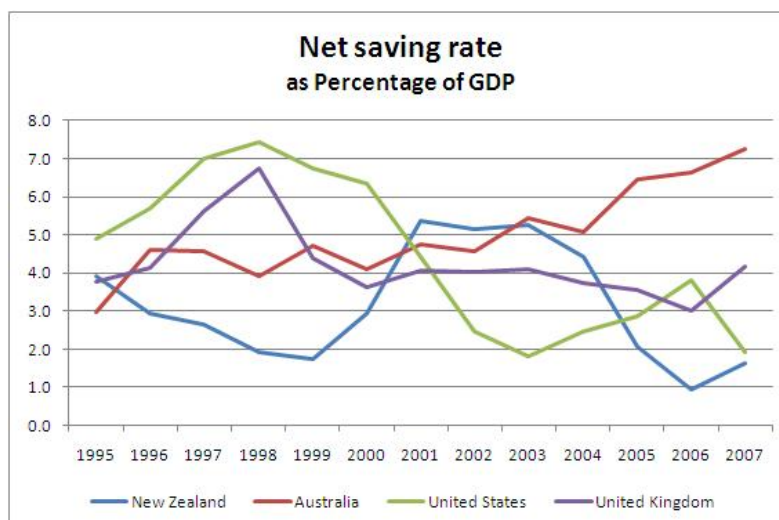
### CEO Comment: Compulsory Superannuation is a Must

News that the Government is considering making Kiwisaver compulsory and that there is some talk of cross-party agreement is positive for many New Zealand businesses in need of capital. Much of the controversy over foreign ownership of New Zealand assets has occurred because of the lack of capital available here. The combination of high interest rates, a bad savings record and asset price inflation has meant that New Zealanders are struggling to afford local assets. Capital has been stripped from our economy; we cannot afford to run deficits forever and there is only one end to this story unless something changes.

Synlait is an excellent example. They tried to raise money in New Zealand without success, but international investors were more than interested. Deeper capital markets here would help companies like this remain in local ownership. It is important that superannuation providers are required to invest a percentage of their funds in New Zealand so that local businesses looking for capital feel the benefit.



Our policy settings have encouraged asset investment through fiscal policy distortions, and the off-shoring of productive firms through monetary policy that creates an overvalued currency. Conversely, the advantages of an enhanced real economy generating activities to invest in, and a compulsory savings scheme generating the investment capital, can be seen in Australia.



There has also been some controversy over the retirement age which the Government has resolutely refused to change. We need a debate on this as [we cannot afford universal entitlement](#). People are living longer and older people will be needed in the workplace; stopping work at 65, for many, is retirement in active middle age – this needs mature debate not political posturing.

The solution to this problem needs to be shared between employers, employees and the Government. If adequate incentives are provided by Government then it is appropriate that both employers and employees contribute.

The 1997 referendum on the Compulsory Retirement Savings Scheme (CRSS) was voted down by 97% of those who cast ballots. Since that time the success of Kiwisaver should make compulsory saving more saleable and therefore politically palatable. It would be good to see broad cross-party agreement on the superannuation and retirement age issues.

#### MEAlert

##### Workplace Exposure Standard - Soft Wood Dust

The Department of Labour has released their Consideration Paper on proposed changes to the Workplace Exposure Standard for softwood dust. [Click here](#) to view.

The proposal is to reduce the eight-hour WES-TWA from 5mg/m3 to 1mg/m3 for softwood dust. The impact this change has to those using soft wood and hard wood will be significant.

The NZMEA welcomes comments from manufacturers and close off for inclusion in the Association's submission closes Monday 27 September.

#### Media Coverage

Where the NZMEA was reported during July.

2 July	The Press	Key Rejects Policy Rethink. <i>Newspaper.</i>
5 July	ODT	Young Farmers Hitting Town. <i>Newspaper.</i>
6 July	Radio NZ	Business Confidence Down: Recovery May Be Stalling. <i>Radio.</i>
7 July	Sunday Star Times	Rudd Falls in a Good Cause. <i>Newspaper.</i>
9 July	NZHerald.co.nz	Upbeat Manufacturers Defy Gloomy Talk. <i>Internet.</i>
9 July	ODT	First Rise in Workers Since November 2008. <i>Newspaper.</i>
10 July	Radio NZ	Sales Rise in Manufacturing Sector. <i>Radio.</i>
12 July	The Press	Job Outlook Flat Despite Net Listings. <i>Newspaper.</i>
14 July	Scoop.co.nz	NZMEA Supportive of Kiwi Jobs Bill. <i>Internet.</i>
17 July	The Listener	Thinkers Slake Their Thirst. <i>Magazine.</i>
23 July	Scoop.co.nz	Stay Off the Brakes. <i>Internet.</i>
23 July	Interest.co.nz	'Stay Off the Brakes' NZMEA Tells Bollard, ASB Expects 25bp Hike. <i>Internet.</i>
23 July	Voxy.co.nz	Stay Off the Brakes. <i>Internet.</i>
26 July	The Press	Interest Rates Likely to be Lifted Again. <i>Newspaper.</i>
27 July	Scoop.co.nz	Will the RBNZ Halt English's Rebalancing. <i>Internet.</i>
29 July	Stuff.co.nz	Reserve Bank Lifts Cash Rate. <i>Internet.</i>
29 July	Scoop.co.nz	RBNZ Weighs Against Export Recovery. <i>Internet.</i>
29 July	Voxy.co.nz	RBNZ Weighs Against Export Recovery. <i>Internet.</i>
29 July	YahooXtra.co.nz	Cash Rate Lifted to 3 Percent, But Caution Knocks Currency. <i>Internet.</i>
29 July	Radio NZ	Rate Rise Will Hurt, Say Businesses. <i>Radio.</i>
29 July	Marlborough Express	Blow for Struggling Region. <i>Newspaper.</i>
30 July	Scoop.co.nz	Growth Continues at Snail's Pace. <i>Internet.</i>

#### Media Releases

Media releases submitted by the NZMEA during July. [Click here](#) to read the latest media releases.

<a href="#">8 July</a>	Pride or Prudence.
<a href="#">14 July</a>	Kiwi Jobs Bill.
<a href="#">23 July</a>	Stay Off the Brakes.
<a href="#">27 July</a>	Will the RBNZ Halt English's Rebalancing?
<a href="#">30 July</a>	Growth Continues at Snails Pace.

#### Upcoming Events

[Click here](#) for information and to register for our upcoming events.

<a href="#">2 September</a>	Forum: Quick Changeovers - Christchurch.
<a href="#">9 September</a>	Forum: The Disciplinary Action Process - Christchurch.
<a href="#">13 September</a>	131st NZMEA Annual General Meeting - Christchurch.
<a href="#">14 September</a>	Emissions Trading Scheme - Are You Ready - Christchurch.
<a href="#">16 September</a>	Programme: First Line Management - Auckland.

#### Business Assessment

On behalf of the New Zealand Business Excellence Foundation and the Engineering Master Programme at the University of Canterbury, they would like to offer manufacturers the opportunity to participate in a Quality Management Module, as part of the student's requirement for the programme.

If you are interested in participating please contact Mike Watson, CEO of the New Zealand Business Excellence Foundation via email at [mike.watson@nzbef.org.nz](mailto:mike.watson@nzbef.org.nz), or phone the Business Excellence Foundation on 09 489 8793.

