

GUIDE TO LIFE IN NEW ZEALAND



What to expect when you get to New Zealand &
what you can prepare for before you get there



Employment

ANNUAL NATIONAL HOLIDAYS

Each year New Zealand has 10 national holidays.

New Year's Day (1 January), day after New Year's Day (2 January), Waitangi Day (6 February), Good Friday (varies), Easter Monday (varies), ANZAC Day (25 April), Queen's Birthday (first Monday in June), Labour Day (fourth Monday in October), Christmas (25 December), Boxing Day (26 December).

There is also an annual anniversary day observed – the date being dependent on whereabouts you live in New Zealand.

INCOME TAX

All employees are expected to pay income tax and how much you pay depends on your salary. Rates vary from 10.5 cents of every dollar for someone earning up to \$14,000 to 33 cents of every dollar for those earning \$70,001 and over. You will need to set up an Inland Revenue Department (IRD) number to pay your income tax. You can only apply for an IRD number once you are in New Zealand.

KIWISAVER

KiwiSaver is a government initiative to encourage people to save for their retirement.

You can choose to contribute 2%, 4% or 8% of your annual salary to KiwiSaver (deductions made from your salary each pay day. In addition your employer will contribute 2% of your annual salary. You are eligible to get your money paid out when you are eligible to receive a pension (age 65). You may be eligible for an early pay out if you are buying your first home, relocating overseas permanently, suffering significant financial hardship or are seriously ill.

LEAVE

All employees are entitled to 4 weeks paid holiday leave (20 days) and 5 days paid sick leave per year. You may also be entitled to bereavement and maternity/paternity leave.

REMUNERATION

The median weekly salary for a construction worker in New Zealand is \$800 NZD. Most employees are expected to work 40 hours per week. New Zealand has a strong work / life balance and very few people work weekends.

USEFUL TIPS

- It may be useful to set up a private box or private bag if you are expecting mail in New Zealand before you establish a permanent address, this can be done through any post office.
- Tap water is safe to drink throughout New Zealand.
- Tipping is not obligatory in New Zealand.
- New Zealand's national language is English.
- It would be a good idea to purchase some New Zealand dollars before you leave the United Kingdom should banks not be open when you arrive.
- There are over 80 official visitor information centres throughout New Zealand (branded iSITE) and these centres are run by experts of the area. Complimentary maps are at these centres and they are there to assist you with things like attractions, accommodation, transport and things to do, not only specific to that area but throughout New Zealand too.
- Ensure your passport is valid for 3 months after the date you expect to depart New Zealand.

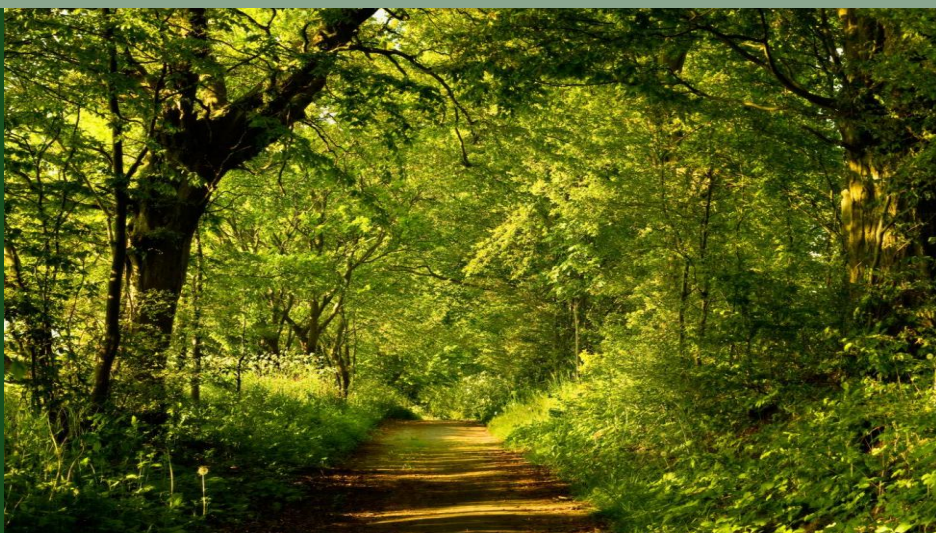
TELECOMMUNICATIONS

The international calling code for New Zealand is 0064 and there is mobile coverage available to around 97% of the population with the main operators being 2degrees, Telecom New Zealand and Vodafone New Zealand. The fixed-line telephone system has lines available to approximately 99% of residences throughout New Zealand with the main providers being Telecom New Zealand, TelstraClear, Orcon and Vodafone New Zealand. Basic broadband in your home will cost upwards of \$40 per month and it pays to shop around as many providers now do deals which include a home phone line, calls and a wireless modem and connection.

COST OF LIVING

GROCERY COMPARISON:

	NZ (NZ\$)	UK (GBP£)
Milk 2L	3.75	1.29 (4 pints)
Lamb Chops (1kg)	10.99	10.25
Olive Oil (1L)	11.99	6.49
Laundry Powder (1kg)	8.15	2.00
Tea Bags (100)	5.59	4.39 (160 tea bags)
Rice (1kg)	3.49	1.69
Free range Eggs (12 pack)	6.89	2.79
Butter (500g)	4.99	2.99
Cheese (1kg)	12.99	5.59
Apples (1kg loose)	2.99	1.95
Tomatoes (1kg loose)	2.99	1.80
Potato Crisps	2.19	0.99
TOTAL	NZ\$77.00 or approx. GBP£40	GBP£42.22 or approx. NZ\$80



Education and Schooling

New Zealand has one of the best education systems in the world. Most children begin formal schooling when they are 5. Prior to this age most children attend Kindergarten (Nursery).

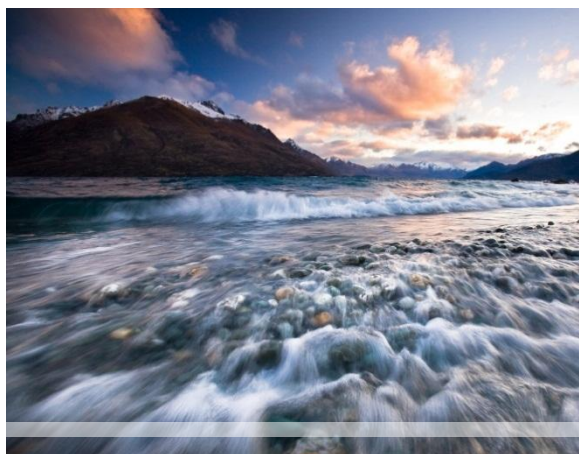
Children between the ages of 2 ½ and 5 years old may enrol in a kindergarten. Kindergartens are predominantly government funded in New Zealand and all children aged 3 and 4 years are entitled to '20 hours free' early childhood education at a kindergarten each week. Hours on top of the 20 allocated free hours cost normally around \$2 to \$5 per morning or afternoon session. Kindergartens traditionally provided part-time care for pre-school children with morning sessions for older children and afternoon sessions for younger children, however now more kindergartens offer all day care of up to 6 hours per day. It is important to contact a kindergarten early as because they are so popular, there are often waiting lists for children to begin. All kindergarten teachers are registered teachers holding a relevant teaching qualification and have had a minimum of 3 years training. There is a curriculum taught at kindergartens which encourages the child's development and in later years at kindergarten the child is taught how to be ready for school.

There are 4 terms in the school year (January – December). The break between terms ranges between 2 and 6 weeks (the largest break is over Christmas when it is summer in New Zealand).

At age 12 or 13 children progress to secondary school. It is compulsory for children to stay at secondary school up until the age of 16. In New Zealand, a child will stay at the same secondary school for 5 years and then proceed to tertiary (university or polytechnic study).

There are numerous state-funded schools that are essentially state-funded (a donation of \$100 may be payable annually). There are also private schools that teach specific religious values as well as the national curriculum.

Many of the state schools have 'zones' i.e. if you do not live in a particular area (normally surrounding the school) then your child cannot attend that school. The National Certificate in Educational Achievement (NCEA) is the main national qualification for secondary school students. This is an internationally recognised qualification. There are 3 levels to this qualification that are usually examined over the last 3 years of secondary school. There are 8 universities in New Zealand and entrance to university is dependent on grades achieved while at secondary school. A bachelor's degree will usually take 3 years and will cost upwards of \$4,000 per year which a student can get a government student loan for, which will need to be paid back once the student has completed studying and is earning over a certain threshold. Student loans may also cover additional course-related costs and living expenses (capped at NZ\$172.51 per week which an individual is only eligible for during weeks of study or mid-semester breaks of 3 weeks or less).





Banking

You will find banking in New Zealand to be as fast and accessible as in the United Kingdom.

OWNERSHIP OF BANKS

Most of the registered banks in New Zealand have Australian 'parent' banks. For example, the Bank of New Zealand (our partner in the United Kingdom and New Zealand) is part of the National Australia Bank. The exception is Kiwibank, which is a wholly-owned asset of the New Zealand Government.

CURRENCY

The New Zealand Unit of currency is the New Zealand dollar (NZ\$). 1 New Zealand Dollar is exchanged for approximately 0.50 Great Britain Pound (inversely 1 Great Britain Pound is exchanged for 2 New Zealand Dollars).

BRANCHES

All of the major banks have branches in most New Zealand towns and cities. You will find that most branches are open from 9:00 am to 5:00 pm during the weekdays and sometimes at the weekends (but don't rely on this).

TYPES OF BANK ACCOUNTS

- Current account - this is a day-to-day account, more commonly known as a cheque account (without the cheques)
- Savings accounts – universal terminology – money put in a savings account will earn interest from the bank
- Bank Deposit account – set amount placed with bank for a certain period of time and will accrue interest at a 'bank rate'

Cheques are being phased out in New Zealand and will in the near future no longer legally be an accepted form of payment.

MORTGAGES

In order to get a mortgage, you must be eligible to work and live in New Zealand. If you have a Residency Visa for New Zealand, you will be treated like a New Zealand citizen. If you have a work permit, there are restrictions placed on the type of property you can buy and the banks will seek additional financial comfort from you.

The amount you can borrow from banks will vary from one to another, as will the deposit amount. Provided you have no significant debt, you can expect to be lent four and ½ times your gross household income.

In terms of interest rates on mortgages, you can expect interest to be 6-7% if you were to fix your interest rate for 5 years. If you were to choose to have a 'floating' rate you would expect interest of 5.5%.

ATM CARDS

This is the equivalent to a Debit Card in the United Kingdom. You can access cleared funds using the EFTPOS option on your ATM card. The EFTPOS system is similar to the United Kingdom in that you swipe your ATM card and the money is deducted from your account immediately. 95% of businesses in New Zealand will accept payment via your ATM card.

INTERNET AND TELEPHONE BANKING

All of the major banks in New Zealand operate an online and telephone banking service. You are able to manage your money and make transfers etc. 24 hours a day. However, transfers may not be completed in 'real time' and there may be delays in the recipient being to draw on the funds you have transferred into their account.

CREDIT CARDS

Credit or charge cards are very popular in New Zealand and all major banks issue them. There are certain criteria for obtaining a credit card and you can expect to pay an interest rate of around 18-20% on funds drawn under the credit card. You can also use your credit card to withdraw cash, but expect to pay a cash withdrawal fee.

MEDIAN HOUSE PRICES

Northland	\$293,750
Auckland	\$540,000
Waikato/Bay of Plenty	\$320,000
Taranaki	\$266,500
Wellington	\$405,000
Canterbury	\$345,000
Southland	\$197,250

*Source www.reinz.co.nz November 2012

INSURANCE

Home & Contents Insurance

Regardless of whether you live in a rental property or a home you own, it is advised you have home and contents insurance. Average monthly premium in 2012 for young single person (contents only) \$45, young couple \$127, family of four \$128 and retired couple \$97.

Car Insurance

1998 Subaru Impreza RXI AWD 2.0 S at value of around \$8,000 owned by family and parked on street with no alarm and full no-claims bonus

As at 2011 insurance costs range from \$333.65 with NZI to \$1,211.42 with Tower, both with an excess of \$300.



Accommodation

RENTING

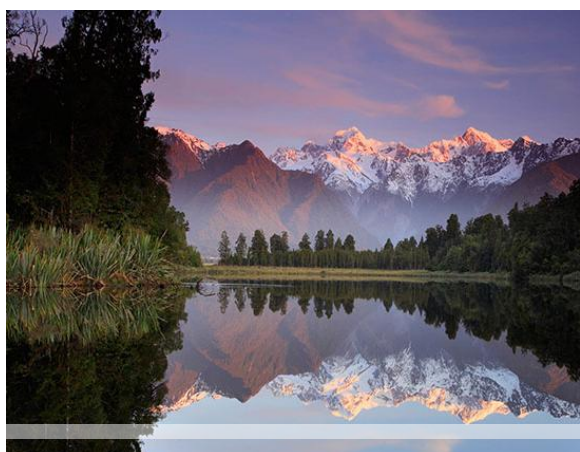
A normal rental period is upwards of 6 months. Most letting agencies will charge a letting fee that is equivalent of 1 week's rent. You will be required to pay a bond on the property that is the equivalent of up to 4 weeks rent. The first rent payment is usually required in advance, and this may in fact be 2 weeks rent. Therefore, if you rented a property for \$350 per week you may be asked for \$2,450 up front.

All subsequent rent payments are paid in advance and are usually paid weekly. The average rent price in New Zealand for a 3 bedroom home is \$340 per week and for a 2 bedroom home is \$285 per week. The amount of rent you pay is dependent on the location of the property, size of the property and condition of the property. Most rental properties in New Zealand are rented non-furnished.

BUYING

Average house prices in New Zealand are very much dependent on the region and suburb the property is located in. In the North Island house prices on average are upwards of \$268,000 and in the South Island they are upwards of \$197,000.

Do your research on the market before buying property and if you need a mortgage visit a bank before you start searching so you know how much you can spend and what your repayments will be. Visit open homes and when at these open homes or enquiring about a property ask the agent if they know of anything else in the area or within your price range as they will usually be only too happy to help. Have the relevant checks done on the house such as building inspections and always ensure you obtain a Land Information Memorandum (LIM) Report and Title and have it checked out by a lawyer before you confirm on a purchase. The deposit is usually payable when all the conditions have been met and is usually 10% of the purchase price. Possession dates vary depending on the parties' requirements but are not usually too long after the confirmation date.





Healthcare

HOSPITAL TREATMENT

There are approximately 40 public hospitals throughout New Zealand. All essential healthcare requiring hospital treatment is provided free of charge.

SEEING A DOCTOR

Doctor appointments will cost you (usually around \$30 per visit) – this is the subsidised amount. Prescription items are also subsidised. Children up to the age of 6 years can have an appointment with a doctor for free so long as they are registered with that doctor, therefore you should register with a doctor in your area when you get to New Zealand so you do not have to pay as much as non-registered patients.

ACCIDENT COVER (ACC)

If you are injured at work or playing sports or at home and cannot work, you will receive accident cover from the government equivalent to 80% of your income. ACC is paid for by way of employer levies. In receiving the accident cover you give up the right to sue any person responsible or partly responsible for causing your injury.

PRIVATE HEALTHCARE AND INSURANCES

Private healthcare is also available at a cost for all the benefits of the public system plus immediate attention of non-urgent health issues.

Transport

BUSES

Buses are the main mode of public transport in New Zealand. Wellington and Auckland also have suburban rail systems. Overall use of public transport in New Zealand is low at only an average of approximately 2.5% of trips making use of it. In New Zealand's major cities with more developed systems that rate is significantly higher.

CARS

Kiwis commonly purchase second-hand vehicles and as such there are a wide variety of places you can buy them from including a car dealership, auction house and online. Vehicle Testing New Zealand (VTNZ) can inspect a vehicle you may be considering buying to advise whether it is sound mechanically and structurally to ensure you make a good purchase.

Once you have purchased a vehicle, two forms must be completed to inform the Government that the vehicle has changed ownership. Failure to do so will show that the previous owner still owns the vehicle. This can be completed at any VTNZ testing station. VTNZ can also help you gain Entry Certification if you have brought over your vehicle from abroad. This is to ensure that it legally complies with New Zealand standards.

Before you can legally drive your vehicle in New Zealand you must ensure it has a current Warrant of Fitness (WoF) or Certificate of Fitness (CoF) and current Vehicle Licence or Registration. A Warrant of Fitness is carried out every 6 or 12 months at a VTNZ testing station and is a safety inspection of the vehicle. Therefore, when purchasing a vehicle it is ideal to select one with a recent WoF or CoF inspection. You will not be able to renew a Vehicle Licence if the WoF or CoF has expired. The Vehicle Licence helps pay for road maintenance and development as well as road safety programmes and is levied according to vehicle type and is a continuous contribution. The NZ Transport Agency (NZTA) will send you a reminder before your registration fee is due providing you have completed the Change of Ownership forms (see above). In addition, those in possession of a diesel-powered or electric vehicle will need to pay road user charges. Breakdown cover is a recommended extra for your vehicle and there are a number of providers for this.

In New Zealand drivers drive on the left-hand side of the road and carrying your current driving licence when driving is a legal requirement. If you intend on staying in New Zealand for more than 12 months you will need to apply for a New Zealand Driver Licence, otherwise driving with your licence obtained from another country or international driving permit, so long as they are current, will be acceptable.

WHAT CAN YOU BRING?

- It is ideal not to bring any food, animals, animal products, plants or parts of plants with you as New Zealand has strict quarantine regulations to remain free of more serious pests and diseases
- If you are on any medication containing narcotics it is best to bring a doctor's certificate with you stating that the medication is required under doctor's instructions
- It may be best to purchase your electrical goods when you get to New Zealand as we have different electrical sockets to those in the UK
- If you are bringing a laptop to New Zealand you will need a RJ45 type plug if you need to connect it to a computer socket as well as an adaptor to connect to the power supply
- Check to ensure your mobile phone has international roaming if you intend to operate from your UK number while in New Zealand

Disclaimer: This is intended as a general guide only and are not legally bound to the statements made herein