



Wellington
New Zealand

the **20**%
advantage

Build a BPO advantage in Wellington, NZ

- **Contact centres**
- **Back-office services**
- **Superannuation administration**

WellingtonNZ.com/business

Executive summary

If you are looking for a **world-class, cost effective** location for business process outsourcing, we have a great value-for-money proposition for you, benefitting from our **smart people, low rental** and operating costs, excellent public transport networks and fantastic quality of life.

We are the home of a wide range of inbound/outbound multi-channel operations, both in-house and outsourced, for the private and public sector; and we have plenty of room for more.

We have:

- **Smart people** - the most educated in NZ
- A **surplus labour market**, with a high level of service centre skill and experience
- Service centre salaries up to **30%** lower than in Australia
- Compared to Australia, Wellington offers up to **26% total cost savings**
- Robust **data and telecommunications** connections - the best connectivity market in NZ
- **Excellent public transport** for staff - which means easy access to a diverse labour pool across the region
- An internationally regarded **quality of life** - good for management, good for staff.

Of course, we would say all that! But don't just take our word; talk to the people on the ground, who have arrived from off-shore, and found how easy it is to do business here. Call us now and we will connect you with the people who can give you insights into what doing business in Wellington makes possible.

We are here to help.



Most highly educated workforce in the country

Statistics New Zealand



Four of the top ten companies on the New Zealand Stock Exchange have their headquarters in Wellington



Fifteen Wellington companies featured in the Deloitte Technology Fast 500 Asia Pacific™ (2014)

Why New Zealand?

More affordable

Easiest country to start a business

World Bank
Doing Business
Report - 2015

If you are looking for a quality near-shore service centre option that will enable you to continue to deliver excellent service and processes to your customers, **cost-effectively**, then New Zealand is the solution on your doorstep.

With lower salaries and overheads, New Zealand offers an average **26% cost saving** when compared to Australia. New Zealanders are also globally renowned for their **customer service skills**. In addition, there is **no payroll tax** and an optional superannuation of only **3%** vs. compulsory superannuation of 9.5% in Australia. Many organisations prefer New Zealand to Asia as a location, due to **accent similarities** and workable time zones.

Total costs per annum for a 200 person centre

AUD	New Zealand	Australia	Cost saving
Salary costs	7,640,000	9,236,000	1,596,000
Overhead costs	1,850,000	3,579,000	1,729,000
Total cost	9,490,000	12,815,000	3,325,000

New Zealand offers a cost saving of 26% on average

New Zealand Trade and Enterprise



Great customer service never sleeps

Time zone advantage

Perfectly placed to service customers throughout the northern hemisphere night

First country to start the day

12 hours ahead of Greenwich Mean Time

2-4 hours ahead of Australia

Why Wellington?

Smart, cost effective people

Wellington has a great workforce for contact centre and back-office service delivery.

Compared to other New Zealand cities, Wellington has the **most highly educated workforce** in New Zealand¹, and we have a **skilled labour surplus** readily available to you. Unlike elsewhere in the world, when it comes to salaries, being an employer in the capital does not mean paying premium rates. Contact and processing centre salary rates in New Zealand are up to **30%** lower than Australia².

With three universities and three institutes of technology located within the city, Wellington has a constant supply of flexible tertiary labour and newly qualified graduates. Our **smart workforce** means that we are the ideal location to manage your customer interactions when you want to add value to your customers using new and integrated channels. Wellington is an ideal location for **higher level functioning** contact centres such as social media response and outbound sales teams.

Work and Income New Zealand can also provide assistance with assessment and selection, pre-employment training and ongoing career support. Based on certain criteria being met, there can be significant **staff training subsidies and incentives** available. And with over 40 well-established recruitment companies in the region, including international agencies Hays, Adecco, Drake and Hudson, you can be confident of recruiting the right people to deliver the best possible service to your customers.

We have the **best utilised public transport** system in New Zealand, which means your potential workforce can be drawn from the entire Wellington region, allowing you to recruit in large numbers and quickly ramp up your operations.

All these facts mean that when it comes to smart, cost effective people, Wellington really is the smartest choice for your business.

¹ Statistics NZ

² Hays Salary Guide Australia/New Zealand 2015



Did you know?

Contact centre salaries are up to 30% lower than Australia

The average 'back-office processing' salary in New Zealand is NZ\$38,000

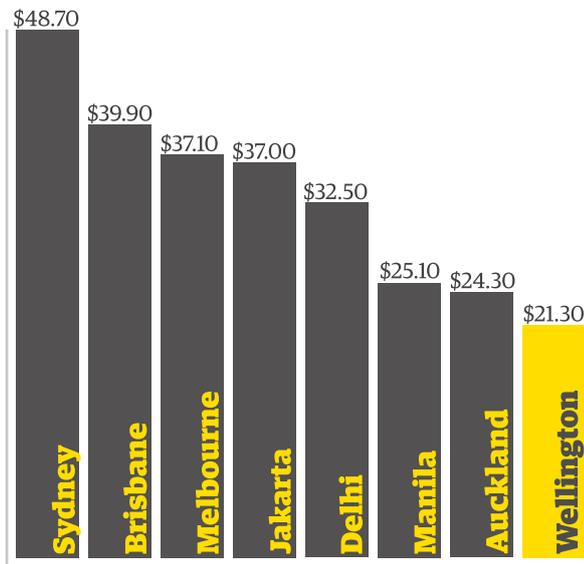
Wellington's labour environment is ranked top in Asia Pacific

*Asia-Pacific Cities of the Future 13/14
FDi Intelligence*

**Forbes
ranks NZ
the 3rd Best
Country for
Business
- 2014**

Why Wellington?

An affordable place to do business



CBD Office Rentals (US\$ per sq ft)

Colliers 3Q 2015 Asia Pacific Office Rents

Wellington is a **great place to live and work**, and we have excellent commercial real estate, in city centre, urban and regional locations, at very competitive rates.

For some organisations, a central city location will always be a preference. However, for those companies interested in regional locations for their business, Wellington has plenty of options. Upper and Lower Hutt, Kapiti Coast, Porirua and Wairarapa are all home to large service centres for the public and private sectors. Regional locations offer up even **more potential cost savings** with regard to real estate, in addition to lower staff turnover rates and greater workforce stability.



Wellington's office vacancy rate is 11.2%

Colliers October 2015

Case study – Datacom

Datacom is New Zealand's largest IT service provider, with revenues of \$937 million, a staff of more than 4000, and 25 offices spread across four countries. The organisation is headquartered on Wellington's waterfront and is deeply committed to the region.

DATACOM

The company's contact centre business, Datacom Connect, is booming, with over 600 employees across Australia and New Zealand. Business process outsourcing, customer experience and contact centre platform technology are what Datacom Connect does best. The business seamlessly handles more than three million multi-channel customer interactions every year.

Datacom's commitment to service improvement, and its extensive experience in designing, building and operating contemporary customer contact centres, is why some of Australasia's largest organisations trust Datacom with their most precious assets - their customers.

Case study – ANZ

ANZ is the oldest and largest bank in Wellington, having been around since 1840. It is the region's second-largest employer, (after the Government) with almost 3000 staff in the city. "Wellington is a great place to live and work and we have a strong commitment to the region," says Chief Operating Officer Michael Bullock.

ANZ

In 2014 ANZ opened their world-class shared services hub in Tory Street, which houses 1400 people from IT, customer care and data processing teams, including award-winning contact centres servicing customers in both New Zealand and Australia.

Mr Bullock says the Tory Street hub has facilitated more effective collaboration driving productivity and maximising scale for ANZ, allowing staff to concentrate on delivering great customer service.

Well connected

Speed, capacity and reliability

Wellington is known for its **talents in ICT, digital technology** and the **creative sector** and is home to genuine experts providing world-class service.

The blend of corporate and large public sector organisations ensures there is local competition and cost competitiveness among Wellington's ICT professional services.

Infrastructure

Wellington has **enterprise-grade connectivity with good fibre coverage** and service levels to match.

The speed, volume and reliability is as good as any, and better than many urban hubs in the Asia-Pacific region.

There is heavy saturation fibre available to all businesses in Wellington, and in many cases

they have dual or triple fibre access. Three networks provide Wellington businesses with choice between fibre, copper (Ethernet) or both.

Businesses can also buy Trans-Pacific point-to-point services through intermediaries such as DTS and AT&T.

Data security

Wellington is the base for almost all of New Zealand's government departments including large organisations like the New Zealand Defence Force and government contact centres such as Inland Revenue. It is also home to **large financial services organisations**, including ANZ, Kiwibank and the New Zealand Stock Exchange. The data security requirements of these organisations are driven by the nature of their business, managing sensitive, private

information and confidential transactions, in large volumes, therefore the **skill and service** required to ensure data security is readily available.

Risk management

Like Tokyo, Los Angeles and San Francisco, Wellington does face seismic risks. As a consequence Wellington has **world-class providers of business continuity planning** and support services available. All buildings are graded by engineers as to their **seismic resilience** so you can be well aware of the facts before entering a tenancy. Reassuringly, the standard for new buildings in Wellington is one third higher than for the same buildings in Christchurch and three times the standard in Auckland.

Getting here and around

Air

Wellington International Airport has frequent direct connections with Melbourne, Sydney and Brisbane.

The airport is **8km** southeast of the Wellington CBD (a 15 minute drive) and hosts numerous domestic and international flights by Air New Zealand, Virgin Australia, Qantas, Sounds Air and Jetstar.

Rail and road

Wellington's residents have access to five rail lines and 103 bus routes as well as a harbour ferry and cable car. **84%** of residents live within 6 minutes walk of a bus stop or train station¹.



¹Metlink

Employing in New Zealand

New Zealand is known for having a fair and reasonable labour environment.

The following is a brief outline of the key aspects of New Zealand's labour laws.

Trial period

Employers can make an offer of employment that includes a trial period of up to 90 days (subject to criteria).

Deductions

PAYE (Pay As You Earn) is the basic income tax taken out of an employees' wages whenever they are paid. PAYE includes an ACC earners' levy.

Sick leave

Employees are entitled to five days' paid sick leave annually (after six months employment).

Superannuation (KiwiSaver)

The existing scheme is voluntary for employees. If an employee chooses to opt-in then an

employer is required to contribute 3% of their gross salary or wages to their KiwiSaver account or complying fund.

Holidays

At the end of each year of employment with a company, an employee becomes entitled to four weeks' paid annual holiday. Employees are also entitled to 11 paid public holidays, if they are days when the employee would normally work.

Parental leave

Employees may be eligible for paid and unpaid parental leave if they meet certain criteria. Government, not employers, funds the paid leave.

Unions

There is greater labour flexibility than in Australia where the workforce is more unionised. Every employee must have a written employment agreement, either individual or collective (through a union). Employees have the right to decide whether to join a union and, if so, which union.

Ministry of Business, Innovation and Employment, and Inland Revenue

Globally competitive tax

No payroll tax

Limited capital gains tax

Corporate tax rate of 28%

Staff opt-in superannuation rate of only 3%

No healthcare tax apart from minimal accident compensation tax

Top personal tax rate is only 33% for income over NZ\$70k



How we can help

Grow Wellington is part of the Wellington Regional Economic Development Agency. We work to accelerate economic growth in the Wellington region and make it more internationally competitive. Our focus is on building business capability and growing sector scale along with attracting business, investment, talent and students to the region.

The low down



Provide **information** on local demographics, sectors, workforce, skills, property and costs.

Supporting



Assist with compiling a **business case**.

Opening doors



Make **critical introductions** during fact finding/familiarisation visits.

Connecting



Connect your **organisation** with other useful services.

Scouting



Provide **guidance** with choosing a location.

Sourcing



Help with access to potential sources of **funding and incentives**.

WellingtonNZ.com/business

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