

Making it special for brides, mums-to-be

Companies take the stress out of weddings and births

by Julie Taylor julie.taylor@dailypost.co.nz

Two Rotorua companies are encouraging Kiwis to embrace the overseas concepts of "baby-mooning" and wedding planning in the city.

Viv Sutton set up Babymoon Limited in February to offer pregnant couples from outside the area a last holiday before having children, while Peter Duncan, aka The Wedding Guy, aims to take the stress out of wedding days.

couples' budgets. One of the greatest concerns about travelling late in pregnancy can be an early birth, so she works with a midwife who will be on call to baby-mooning couples.

She hopes baby-mooning will catch on in New Zealand as it has in Europe and the US.

Wedding planning is also relatively new to New Zealand. Mr Duncan describes Kiwis as "more your DIY types".

But as lives get busier, brides and grooms are struggling to find the time to research celebrants, venues, caterers, printers, florists, photographers, dressmakers and everybody else who contributes to a wedding.

He says: "We are partnered with 25 to 30 providers and can offer a smorgasbord for clients to choose from."

A survey carried out before launching the business in 2007 showed half a bride's preparation time was spent on research. Mr Duncan says the idea is to do all of that for the couple - but still give them the final say on who does what. "We want to make the day as streamlined and stress-free as possible."

The aim is to build long-term relationships with couples, helping them through their lives together - from buying a house to starting a family - and the company has now set up the Rock Solid Community Trust to bring speakers on relationships, families and the likes to Rotorua.



ON A MISSION: Viv Sutton and Peter Duncan aim to make life easier for couples having babies or getting married.

Housing hits new low but looking up

The trend for the number of new approved housing units, excluding apartments, hit its lowest level on record in April, but there are signs the decline is easing.

Statistics New Zealand (SNZ) said the trend had fallen 55 per cent since its recent peak in June 2007 and was at its lowest level since the series started in 1992.

But the trend was starting to show signs of easing, SNZ said.

Last month, 1009 consents were issued for new dwellings, including 199 apartments.

Seasonally adjusted, the number of new dwellings authorised, including apartments, rose 11 per cent in April after falling 17 per cent in March. Excluding apartments, the seasonally adjusted number of new dwellings authorised rose 4.5 per cent last month.

The value of residential building consents in April was \$355 million.

— NZPA

CURRENCY table with columns for country, buy, sell, and exchange rates for various international currencies.

Shorter term still preferred option

SHORTER term fixing still seems to be the best option. Not only has it been the 'Big Freeze' weather-wise, interest rates have also been frozen at current levels for some time.

The official cash rate appears to have lost most of its ability to influence retail home loan rates, as the banks are having to offer investment rates that are higher than they would like. They are in a very competitive situation against other banks, finance companies with government guarantees and corporate bond issues for large, well-known corporates.

Banks are driven to raise funds within New Zealand as the cost of borrowing offshore is still very high. There are signs that position may be thawing and risk premiums have recently dropped significantly in international markets.

If offshore borrowing rates could drop below the rates New Zealand banks are having to offer investors, that would provide the opportunity for mortgage rates to fall further.

The next OCR review is on June 11. Some economists suggest it won't move and other suggest a 0.25 per cent move.

Normally we would be waiting to see what happens before making any interest rate decisions.

However, with the OCR losing its

MORTGAGE UPDATE



DON LINES

power to influence rates, even if it reduces there may be no flow-on effect on retail/home loan rates and there may be little point deferring interest rate decisions.

Economists are generally still suggesting there is no rush to lock into longer term rates and that a valid strategy is to take advantage of the cash flow benefits the short term variable and six-month rates offer as the opportunity to lock into longer term, fixed rates is unlikely to disappear in the near term.

This strategy is based on the Reserve Bank stating that it expects to keep rates low until the second half of 2010.

Personally, I still favour a mix of the

variable rate and the six-month rate and, for people who want more certainty, possibly throw in a lesser mix of the three and five-year fixed rates as well. The benefits of the variable and six-month rates are the low cash flow rates and the ability to move with low or nil cost into a longer term rate if it looks like those rates are going to increase.

I favour the six-month rate ahead of the one-year fixed rate because it provides greater flexibility. I'm not a huge fan of the two-year fixed rate at present. While it provides certainty for a reasonable period, its expiry in two years might strike the period when rates have been hiked up to control the inevitable inflation problem down the track. The three and five-year rates provide certainty for a reasonable period and still sit below the five-year averages in the early 8 per cent range.

Interest rate management is by no means an exact science and strategies need to be constantly reviewed as market news and conditions change. Don't stress about getting it exactly right - look at your situation and the risks you face and try to achieve a good average rate across your total borrowings for the total term of your loan.

— Don Lines is a mortgage adviser with Rothbury Financial Services Rotorua

SHARE MARKET SNAPSHOT

NZSX50 LAST FOUR WEEKS chart showing a line graph with a +1.55% change and 61 rises, 27 falls.

Table with columns for Share name, Percentage, and Biggest 10 Rises and Biggest 10 Falls.

Main share market snapshot table with columns for Share Code, NZ Market Shares, Closing quotes, Last Sale, Move, 1000s, 52-week High/Low, Dividend Yld, P/E Ratio, and various other metrics.



HARD TIMES: Air New Zealand says it has about 40 more cabin crew and pilots in domestic operations than they need.

Air NZ signals job losses as flight numbers fall

Air New Zealand is reducing capacity by a further 3 per cent, and is signalling 80 job losses.

It is also reiterating a call for more government funding of tourism promotion to help it protect its position in international markets.

The Hong Kong to London service will drop to five days a week from October and there will be reduced services on domestic routes serviced by regional airlines.

The airline said it had a surplus of up to 40 cabin crew and pilots in regional airline and domestic jet operations.

There may also be a loss of 40 airport handling roles in Auckland and Christchurch as a result of Qantas terminating its domestic services.

ITO: Don't cut back training in farming

The farming sector should not be cutting back on training despite Government belt tightening and a dairy payout cut announcement from Fonterra.

Representatives from the Agriculture Industry Training Organisation are saying efficiency and productivity are the solutions, but that requires investment in people.

Earlier in the week, Fonterra forecast a payout of \$4.55 per kilo of milk solids for 2010 and the training organisation chief executive Kevin Bryant said "the razor would be going over every farm cost" as a result.

"My message to farmers would be now is not the time to make cutbacks on investing in people without considering the impact of such moves on the farm system. Kneecap reactions rarely pay out as smart decisions."

Mr Bryant quoted research showing industry-supported training was one of the lowest cost, highest return investments farmers could make to ensure productivity and efficiency, with training for farm staff returning more than 340 per cent of the cost.

Minimising the risk of penalties for milk quality or effluent issues are just two areas where he said industry training could save thousands.

"Whether it's tractor driving courses so staff don't end up in the effluent pond or learning how to do a business plan for a forestry conversion, the knowledge is there to help farmers be productive and efficient at every level."

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AUSTRALIAN SHARES

Table listing Australian share prices for various companies like ANZ, AMP, ANZ Bank, etc.

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