



Estate and Taxation Planning Council New Zealand Inc

February 2008

Last Seminar

Preparing for the Future

As we are three quarters of the way through the first decade of the 21st Century, what does the future hold for New Zealand? What are the challenges and opportunities that will confront New Zealand over the next few decades?

The Council was fortunate to have Dr David Skilling from the New Zealand Institute as our presenter. David's presentation was titled: *Preparing for the future: Emerging priorities for the New Zealand economy.*

Dr Skilling said that New Zealanders are generally hard working, but New Zealand cannot grow its economy by continuing to rely on growing the number of hours worked. The challenge is how to increase labour productivity growth in a substantial and sustained way. David covered the reasons why New Zealand needs to focus on addressing the constraints that impact on New Zealand's labour productivity growth.

The need to focus on three (related) constraints in particular:

- Low physical capital intensity
- Low investment in knowledge and human capital
- Low levels of international economic engagement

Several of the slides in his presentation showed that our business investment is low compared to the OECD average, and well below Australia. As a percentage of our GDP our capital markets (shares & bonds) are small and we are stuck somewhere between Mexico & Hungary. The amount of money we spend on Research & Development is half the OECD average, and our exports as a percentage of GDP haven't increased much since 1990.

David's presentation created a number of questions from members. For those that weren't able to attend the briefing you can view David's presentation on our webpage.

Executive Meeting

The first executive meeting of the year covered the need to increase our membership. The Council's stringent criteria for membership are a problem, as some potential members wouldn't qualify because they haven't been part of their profession for at least 5-years. As younger generations are likely to face constantly changing careers, let alone jobs the Council needs to be more flexible. If a professional is keen and genuine about joining the Council then we should welcome them.

As a result of these discussions, the executive is to look at the Constitution to assess the relevance of the ratios currently in place; it also raised the issue of people in the banking sector becoming members, as their field of work often crossed over into the areas of estate and tax planning.

The website needs to be updated, and we need to send out more regular communications to members.

With the number of finance companies failures over the past two years, and the more recent problems for property investors with Blue Chip, has highlighted the issue of advice and the quality of that advice. New regulations for investment advice come into force on 29 February 2008.

Who is an investment adviser? What constitutes investment advice? What investments are covered by the Act? What do you need to disclose? What are the penalties?

For answers to these and other questions you need to attend our next seminar.

Guest Presenter – Simon Hassan

Simon is currently President of the Institute of Financial Advisers (www.ifa.org) and a member of the International Council of the Financial Planning Standards Board (www.fpsb.org). He has served on a range of professional committees, including roles as chair of ethics and education committees. Simon currently teaches financial planning at Massey University.

Simon specialises in providing financial advice to higher earning and higher net worth professionals, self-employed individuals, and trustees. He has been a financial adviser since 1990 and a Director and Senior Client Adviser at Hassan & Associates since its establishment in 1995. Before becoming a financial adviser he was a secondary school assistant principal.

Wednesday, 12 March 2008
at 7:15am for a 7.30am breakfast at
Romfords, Tamaki Drive, Auckland

Members	–	No Charge
Non-members	–	\$25.00