

# THE PRESS

HD THE REBUILD'S AUSSIE ANGLE

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Will Australians and their tough, optimistic and sometimes blunt **business** personalities have an increasing influence on the Christchurch rebuild? Deputy **business** editor ALAN WOOD reports.

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Australians, our closest neighbours, are arriving in larger numbers wanting to "avago" in the Christchurch rebuild.

Migrants from the sunburnt land are crossing the Tasman and despite some hiccups are finding their feet and making their presence felt and twang heard in the Kiwi workplace and social barbecue at the weekend.

One reason is the "lucky country" is no longer quite as lucky, at least on the economic front. The **Chinese** slowdown has hit them hard.

It is not only individuals who are moving to Christchurch, but Australian companies as well. Those establishing joint ventures with New Zealand firms stand the best chance of success in the reconstruction, says Canterbury Employers' Chamber of Commerce chief executive Peter Townsend.

He estimates he has hosted about 120 Australian companies eyeing Christchurch opportunities, and a little under 10 per cent had put a **stake** in the ground or formed relationships here.

But it is not all **wine** and roses, at least not yet.

Australian Treasurer Joe Hockey caused a stir during his trip to NZ in July, saying concern from some on the other side of the ditch about "Canterbury parochialism" had been raised with him.

And some Australian businesses say they have shelled out hundreds of thousands of dollars before winning their first rebuild project. This is before the "hard yakka" starts.

On the smaller end it is much easier for an individual Australian migrant or family to get a start, with opportunities wider than just the quake recovery.

Tasmanian Paul Viney, who has taken up a chief financial officer role with startup incubator **firm** powerHouse, says it is more effortless to get a job in Christchurch than Melbourne. "In Australia, for every job there's a hundred applicants."

Viney has brought his wife Roxanne with him although not their grown children who have work and education commitments in Australian and other overseas locations.

Danny Elphinstone, also from Tasmania, has come to set up a **business**. He plans further significant financial investment including \$200,000 of plant and equipment for a new steel fabrication operation at Wigram.

Elphinstone says it has not been the easiest making connections in Christchurch, but it makes sense as **business** conditions are very tough in Tasmania with large companies like Caterpillar outsourcing to Thailand and mining slowing down.

He has spent about 18 months developing relationships within Christchurch to tap into the rebuild, drawn in by a quake recovery presentation in Melbourne in March 2013.

He has joined with fellow Australian Danny Morris. The pair have registered Elphinstone & Morris NZ with the Companies Office taking staff on a "labour hire" basis from Christchurch-based Tradestaff.

The pair represented a larger "collaborative" grouping of Australian fabricators, engineers and designers. He has been knocking on doors and pitching to see if they could supply to large construction companies.

"I'm here every second week. My role is business development and client relationships and doing those partnerships with the local enterprises we're working with," Elphinstone says.

Other countrymen have found it tough and returned across the ditch.

If he had known the cost of breaking into the Christchurch rebuild market, he may well have thought about it a bit harder, Elphinstone says.

The first contract he helped land was for the erection of steel for the Cashel Square stage one project for developer Nick Hunt and led by Leighs Construction. That stage one project, due to finish by the end of 2015, is going well. Elphinstone says the joint venture is on the lookout for other sizeable projects.

To make itself competitive for smaller projects it is in the process of setting up a multimillion dollar fabrication site at Wigram, having taken a 14-year lease on an industrial warehouse. This will bring down steel shipping costs from Australia.

"Relationships are the way of building a successful business in Christchurch," he says of the relationship with Leighs and others. Leighs itself has a major Australian partner, Cockram. The Leighs Cockram JV Ltd is leading a multi-million dollar Burwood Health Campus redevelopment which includes hospital wards.

The project, which started in January, is scheduled for completion in March 2016.

Managing director Anthony Leighs says he has been actively looking for a partner for Christchurch's bigger projects and found the Melbourne-based firm during a tender process in 2013.

Cockram and Leighs now contribute half the members of a 16-member management team, overseeing a project worth about \$150m in revenues.

The "cultural fit" between the much larger privately-owned Melbourne firm with skills in health sector builds is "pretty good", Leighs says. "In some ways they've got a pretty similar philosophy and set of values to our own . . . there's always a bit of banter about sport and all that good stuff, but it's been pretty easy." Some Australian carpentry and interior construction contractors have joined the project.

Cockram managing director Malcolm Batten says his firm, established in 1863, was intent on taking the relationship with Leighs further. Separately, Cockram has already tackled other projects in NZ including Auckland laboratories, but the new relationship made sense and is working well culturally.

Christchurch had moved on to the project map after Cockram attended a session with a Kiwi trade delegate presenting to the Australian construction industry two years ago. "We started to look at it and then put in an expression of interest . . .

"You can see the city is scarred and hurting, and trying to recover . . . you can definitely feel the scale of the tragedy, it's very serious." The match between two privately-owned but outward-looking companies was part of a wider trans-Tasman relationship. "It's a sibling rivalry and at the end of the day if the world was in a bar and there was a fight, Australia and New Zealand would be back to back against the wall, you can be sure of that." Townsend says Australians and Aussie firms will continue to become a bigger part of the rebuild, with interest from companies from Asia, the United Kingdom and United States.

Collaborative relationships with NZ companies tend to work well. "(But) those companies that come in and try and do it cold really struggle. We've now had delegations (to Christchurch) from Sydney, Melbourne, Adelaide, and most recently from Queensland of groups of Australian companies that have come into Christchurch to look at opportunities." There were more delegations coming and the chamber was "beefing up" the relationship-building website Collaborate Canterbury.

He has visited Sydney and Melbourne, where significant infrastructural work was going on and has developed relationships.

"One of the companies I saw in Melbourne was (infrastructure management specialist) Plenary **Group** and of course Plenary have ended up working with Ngai Tahu and the Carter **Group** on the new convention centre." Asked if there are significant **business** culture differences, Townsend says no. Canterbury University-based powerHouse has been the new location for Paul Viney since May. In part the option had been chosen because "Australia's in quite an (economic) hole frankly".

He applied for the job on the Seek website, at first thinking it was based in Melbourne, and then had to tell his wife they would need to relocate from Launceston to Christchurch.

"I didn't know much about the place . . . I've done a lot of travel but like a lot of Australians, we don't necessarily come here." A recent visit by their daughter reignited his initial impressions of how confronting the trashed central city can be to first time visitors. When he first relocated he had stayed for a month at The Canterbury Club. He had walked the central city streets at night and been shocked at the number of homeless people.

Studying to be a journalist, his daughter also found the cityscape very confronting. "She chose to do a story on the rebuild, a photographic journal and so she was absolutely shocked by it. She was really upset."

On the other hand the people of Christchurch have been very friendly and the mountains have already provided opportunities to explore. At work he has also found some freedom compared with Australia. His previous work had been for a second tier bank MyState Ltd. The financial disciplines for running a smaller bank are onerous, he says.

Sarcha Every, a director of resource and recruitment **company** Decipher **Group**, helped Viney settle into the new role. "(It helps) if they can actually get the pleasure out of their work in an environment that's conducive to having families going on holidays, skiing and all those things." Decipher uses a model to "search out" potential Australian employees for Canterbury firms through online recruiting searches including LinkedIn.

**CO** ceycoc : Canterbury Employers Chamber of Commerce

**NS** gcat : Political/General News

**RE** austr : Australia | nz : New Zealand | melb : Melbourne | tasman : Tasmania | victor : Victoria (Australia) | apacz : Asia Pacific | ausnz : Australia/Oceania

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