



Special points of interest:

- Holiday Act review
- Supplier Awards Voting form inside

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Review of Holidays Act welcomed

NARGON has welcomed the current review of the problematic Holidays Act. An advisory group, chaired by lawyer Peter Kiely, will consider suggestions for improving or reforming the Act. To help inform our lobbying on this issue, NARGON is asking members for their thoughts on five questions:

1. Is there a better way of calculating ordinary daily pay?
2. Are there any issues with employers and employees agreeing to trade the fourth week's leave for cash at the employee's request?
3. Should employers and employees be allowed to agree to transfer the observance of a public holiday to another day?
4. What holiday and leave entitlements should apply for casual employees?
5. How should trading on Easter Sunday be treated?

Comments should be sent to Trina Snow, Executive Director of NARGON, on director@nargon.co.nz.

Retail HOT SPOT Focus

Selling and Pricing

Selling is the process of thinking about what will motivate the customer to buy.

Pricing is the process of thinking about what will create gross profit.

the key question is, "What do I need to do to accomplish both?" Successful retailers accomplish both. Unsuccessful retailers accomplish neither or just one.

Government unveils economic plan

Prime Minister John Key has outlined the Government's medium-term economic plan. He says the Government is working on six main policy drivers:

- regulatory reform
- investment in infrastructure
- better public services
- education and skills
- innovation and business assistance
- a world-class tax system.

NARGON joins Business New Zealand in welcoming the plan as a positive step forward in challenging economic times. Of particular interest to NARGON members are plans to amend the most "infuriating laws that people often complain about", reduce red tape, review existing regulations and improve the quality of new regulations. The recommendations of the tax review group will also be critical.

Supplier Awards Update

When—October 29th 2009

Where—Civic Stage in Queen Street, Auckland

Caterer—Austin's Food Designs.

MC—Eric Rush

Entertainment—Collin Paris

Tours of the Chelsea Factory in Birkenhead are on offer with lunch provided during the day and we will have accommodation packages for those of you who wish to make a night of it or are from out of town.

VOTING FORMS are enclosed with this newsletter!

THESE ARE DIFFERENT TO THE NOMINATION FORMS so please vote for you preferred supplier in each section (one per section) and send back to 04 496 6550 or post to P.O. Box 1925, Wellington

We are still looking for sponsors for these awards so please let us know if you are interested or visit www.nargon.co.nz for more information.





biggest increase was recorded in sales at supermarket and grocery stores which were up 2.3 percent or \$86 million.

The Law Commission has released an issues paper, *Alcohol in Our Lives*, which proposes sweeping changes to the rules surrounding the sale and consumption of alcohol in New Zealand.

Supermarket and grocery sales lead retail rise

Seasonally adjusted retail sales rose 1.1 percent (\$174 million) in the June 2009 quarter, according to Statistics New Zealand. This is the first overall increase in quarterly sales since the March 2008 quarter. Once again, the biggest increase was

recorded in sales at supermarket and grocery stores which were up 2.3 percent or \$86 million.

For the July 2009 month, official figures show that food prices increased 0.6 percent.

Higher prices for vegetables, particularly lettuce, accounted for nearly all of the increase. For the year to July 2009, food prices rose 8.4 percent with all five subgroups recording increases. .

Radical changes possible for liquor sales

The Law Commission has released an issues paper, *Alcohol in Our Lives*, which proposes sweeping changes to the rules surrounding the sale and consumption of alcohol in New Zealand. Among the options the Law Commission is putting forward for public consideration are:

- A complete new Sale of Liquor Act
- Measures aimed at reducing the availability of cheap alcohol products
- Reducing excise tax on low alcohol products
- Reducing the hours within which alcohol can be purchased
- Introducing a split purchase age for alcohol allowing young people to drink on a licensed premise at 18 and to purchase from an off-licence at 20
- Expanding the criteria under which a licence can be declined
- Expanding the range of conditions that can be imposed on licensees
- Introducing graduated licensing fees to ensure low risk operators are not unfairly burdened.

The paper is currently out for consultation and NARGON will be making a submission on behalf of members. Any resulting legislation is expected to be passed by the end of 2010.

Employment agreements

The Employment Relations Act clearly requires all employers to provide every employee with a written employment agreement. The member's section of the NARGON website contains draft agreements and advice on employment agreements – www.nargon.co.nz. The Department of Labour also has information on the topic including an employment agreement builder -

<http://www.ers.dol.govt.nz/relationships/>.

New environmental tool to help business

Simon Power, Minister of Commerce, recently launched an on-line tool designed to provide small to medium businesses with free, practical advice on improving their environmental and economic performance. In around 30 minutes, the Envirostep site allows any business to:

Measure their environmental performance.

Take practical steps that benefit both the environment and their business.

Communicate their environmental performance.

Progress to more sophisticated environmental tools and schemes if they wish.

The Minister said that consumers were increasingly interested in environmental issues and that "businesses recognise that effective environmental management practice can deliver real cost savings by reducing energy, waste and transport costs."

Envirostep is available here:

www.eco-verification.med.govt.nz/envirostep



"consumers were increasingly interested in environmental issues"

Retail Quiz (2)

All NARGON members should know the answer to these three questions: (answers on page 4)

1. What is the name of the new environmental business tool recently launched by Hon Simon Power?
2. True or false – Casual employees do not require a written employment agreement. ?
3. NARGON is a member of which Business New Zealand group?

Political comment – ACT

This month, Act Leader and Minister of Local Government Hon Rodney Hide sets out his priorities for the retail grocery sector:

Lifting New Zealand's economic performance, increasing productivity and income and creating new jobs has been getting a lot of my attention lately. It is now nine months since the National-led Government took office. The ACT Party is proud to be a support party in that Government.

We have two Ministers – myself and Heather Roy. Heather is working hard in the areas of consumer affairs, defence and education and enjoying every minute of it. My focus is local government and regulatory reform. Like Heather, I am also enjoying my role. Each day is better than the day before.

I have received thousands of letters from concerned members of the public about poor and excessive regulation. Clearly the regulatory environment needs an overhaul and I am committed to that.

Better and less regulation is essential if we are going to raise New Zealand's productivity growth, international competitiveness and living standards. Regulatory reform

has been identified as one of six key policy drivers for boosting New Zealand's economic performance. Businesses, including many in the supermarket and grocery retail sector, have told me they are struggling to keep up with the new rules and requirements. The cost of complying with them is increasing and that diverts human and financial resources away from running the business.

I would rather see businesses in the supermarket and grocery sector devoting their energies to increasing productivity and creating new jobs. After all, the sector has real potential to help lift New Zealand's performance.

So what are we doing to create a better regulatory environment?

We have begun by rolling back several of the regulatory measures put in place over the past nine years by the previous government. A Regulatory Responsibility Taskforce has been established to recommend changes to the Regulatory Responsibility Bill. They will report back, by 30 September, on ways in which regulators can show restraint and respect for private rights and interests. We are committed to introducing an annual Regulatory Reform Bill

to identify and remove what we call the "low-hanging fruit" – the frustrating and obstructive rules and regulations people often complain about.

We have also established the 2025 Taskforce. The Taskforce was a key component of the ACT-National confidence and supply agreement. It reflects the importance of closing the income gap with Australia. We are pleased to have Don Brash heading it and we are looking forward to their ideas which will be reported back on an annual basis.

Another important piece of work is the review of the Resource Management Act and Building Act. Both these pieces of legislation are holding New Zealand back. We are committed to reworking these Acts so businesses and home owners can get on with doing legitimate things to improve their lot and contribute to lifting New Zealand's economy.

The challenge to create a better and smarter regulatory environment is a daunting one. There's lots of work to do but I can assure you we are well on the way. It's a major mission for me but one I am 110 percent committed to.



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"The Taskforce was a key component of the ACT-National confidence and supply agreement. It reflects the importance of closing the income gap with Australia."

On a lighter note

From the fount of all modern humour – the Internet:

"My friend, Lorna, was the person in front of me at the Tesco Extra supermarket checkout counter. Having forgotten her credit card, Lorna had written out a cheque for her purchases and was waiting for the cashier to complete the transaction.

The cashier was a fine looking young man named Richard [according to his name badge] and, citing 'company policy', he asked Lorna for proof of identity.

Lorna was flabbergasted and looked totally astounded. Eventually she managed to squeak 'But Richard, I'm your mother.'"



Visit the NARGON Website for the latest news and information
www.nargon.co.nz

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We have three positions available on the board. If you are interested, please contact the Executive Director below for more information.

Executive Director

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Store Spotlight

This month the NARGON News talked to Peter Anderson at Kapiti Pak'n'Save:

How long have you been in the supermarket and grocery industry?

I started bagging at age 13 but more recently almost twelve years to the day

How many staff at your store?

Two hundred and fifty odd

What is one of your biggest surprises in the industry?

How much impact a product's location has on sales in the shop – in some areas, products always sell

What part of the industry do you love the most?

The variety – there is something different and new happening every day

What's your least favourite aspect?

The occasional totally unreasonable customer

Tell us one thing your staff may not know about you?

I went to three different secondary schools

What is your favourite drink?

A good Shiraz

What three albums or books would you take to a desert island?

A long novel about Africa, the Forest Gump movie, easel and a set of paints

If you were banished to one section of your store, which one would it be?

Garden and floral



Contributions welcome

NARGON members are welcome to contribute articles, opinion pieces and letters to the NARGON News. We are also always looking for volunteers for our Profile section.

THE NARGON WEBSITE IS BEING REBUILT.

The new layout will allow our members to login with their own user details and will allow our supplier members to list their services helping make them easier to find.

If you have any suggestions for tools you would like to see on our new website, please email director@nargon.co.nz with your suggestions

Visit *Nargon News* at
www.nargon.co.nz to fill out the Store
Spotlight questions so your store can
be featured in this section

Answers from page 2

1. Envirostep.
2. False.
3. The Affiliated Industries Group (AIG).