



Submission by the

**NATIONAL ASSOCIATION OF RETAIL
GROCERS AND SUPERMARKETS OF NEW
ZEALAND (INCORPORATED)**

To the Justice and Electoral Committee

On the

Alcohol Reform Bill

TSnow
2/18/2011

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Alcohol Reform Bill

1. Introduction

This submission is presented by the National Association of Retail Grocers and Supermarkets of New Zealand Incorporated (NARGON).

NARGON represents the interests of approximately 40% of the food retailing industry in New Zealand.

The approximately 500 retail members of NARGON are owner-operators of retail food warehouses, supermarkets and grocery/convenience stores. In the main, retail members of NARGON are aligned with the franchised retail operations of Foodstuffs (PAK'N SAVE, New World, Four Square) and Progressive Enterprises (Supervalu, Fresh Choice).

NARGON's members are located in cities, towns and small rural communities throughout New Zealand.

The majority of NARGON's retail members currently sell wine and beer. NARGON also has a number of associate members that are major suppliers of products and services to the retail members of NARGON.

2. Recommendations

NARGON recommends that:

- (1) The criteria for determining the eligibility of a grocery shop to hold a liquor off-licence is changed, in particular:
 - a. The definition of main-order household foodstuffs in **s5** is amended to align with the common use of the term in the grocery trade i.e. food purchased as part of a household's main grocery shop.
 - b. The reference to a minimum turnover for main-order household foodstuffs in **s6(2)(a)** is deleted, allowing the licensing authorities discretion to form a view of the true nature of the business based on the wider criteria set out in **s6(1)(a)(i)-(iii)**.

NARGON understands that Foodstuffs has presented detailed submissions in respect to these matters and wholeheartedly supports Foodstuffs position.

- (2) NARGON agrees with the statutory maximum default trading hours proposed in the Bill and is concerned that TAs, in setting local hours in local alcohol policies, may disadvantage individual stores in areas where neighbouring TAs adopt more liberal licensing hours e.g. District A = 9am to 8pm, District B = 7am to 11pm.

In our experience, having different shopping hours for the purchase of alcohol between one district and another sees shoppers changing from their current local

supermarket for their household shopping requirements to the one that has the more accessible hours thus creating an advantage for that store.

NARGON therefore suggests that a TA should not be able to set local hours across a district but should be able to restrict hours on individual licenses where, due to local circumstances, grounds for this exist.

- (3) NARGON believes that the bill as it stands provides inadequate appeal provisions and we support greater appeal rights.
- (4) Potential employers may apply to the licensing authority with an applicant's permission for details of any holdings against that applicant's license in order to make an informed decision on the suitability of the applicant if that applicant is applying for a role that would include any management of alcohol sales within the employer's store.

3. Specific Comments

Part 5 Clause 81 allows for a list of licensees and managers who hold licenses or managers certificates to be kept by the secretary of the licensing authority. The list must detail the Licensee's or manager's name, the license or manager's certificate number, and any holdings to which **s273** applies made against the licensee or manager.

As the proposed bill currently stands, only constables and inspectors may access the list and they may only access the list to ensure the accurate enforcement of the cancellation of licenses and manager's certificates where a licensee or a manager has been repeatedly convicted of offences or the licensing authority has made findings against a licensee or manager in respect of offences and contraventions of the Act listed in **s273**.

NARGON agrees with the creation and management of the lists however would like potential employers to gain access to a potential applicants license details including any information of any holdings against that license with the applicants permission by application to the secretary of the licensing authority to enable them to make informed decisions about the most suitable applicant.

This is paramount as any illegal alcohol sales made by staff in any store reflect upon the store license as well as the duty manager. If the duty manager has been proven to be unreliable this therefore severely compromises the stores license.

This would mirror requirements made in other industries for clean records to be held in certain areas. For example:

A government chauffer candidate needs a clean driver's license and no criminal convictions and must agree to background checks on application of the role. Being able to check the history of a manager's license in the manner described as above will further encourage managers to be more diligent when observing

the alcohol laws as holdings against their licenses may impact on their ability to find work as a duty manager.

Currently the store is penalized for staff mistakes no matter what training and management they have provided, this puts further responsibility on the people who are controlling the customer sales on the shop floor.

4. Conclusion

NARGON agrees in the most part with the Bill as it is presented other than in those areas which are outlined as above.