

THIS ISSUE:

Termination on medical grounds

Food prices down, card spending up

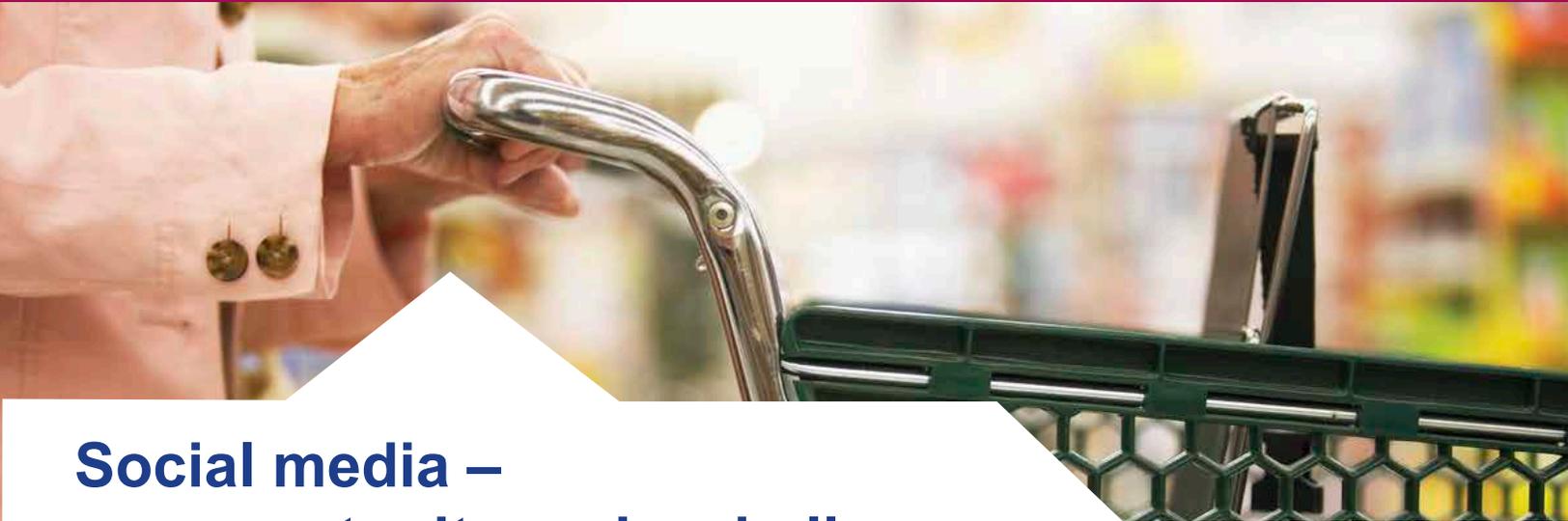
Political Profile: Hon Simon Bridges

Minimum wage recommendations

Practical guide to the best use of security cameras



NARGON NEWS



Social media – an opportunity and a challenge

FMCG magazine reported that recent research from Nielsen revealed that nearly 3 million New Zealanders now visit social media sites per month. Kiwis spend an average of nearly eight hours on social media each month. Facebook is currently the top ranking social media website in New Zealand with a unique audience of over 2.7 million people – a staggering 80% of the online population here.

While most social media usage is to interact with friends and family, the research showed 47% of the online population engaged with social media at least once each month to learn more about brands, products and services, and 42% wanted to hear about others' positive or negative consumer experiences. In a tight market, it is dangerous to ignore this large segment of consumers. People will be talking about your store on-line so it is generally best to be part of the conversation.

Social media, when used properly, can get targeted and tailored messages across to consumers at a far cheaper cost than conventional media such as mail outs, flyers or television ads. Customers are

also able to share information easily and provide personal recommendations and comments. However, getting social media wrong can have disastrous with the results spreading virally across the net. FMCG editor Tamara Rubanowski suggests at least five basic rules:

1. Social media is bi-directional. Don't just talk; listen! Insights from your consumers are valuable market research and when your consumers feel "heard" their loyalty strengthens.
2. Tell a good story. Social media can provide a fun, informal format for sending messages that evolve through a story arc over time.
3. Be transparent, open and honest to build loyalty within your community.
4. Understand your audience and target them with appropriate media. Don't try to access senior consumers via Twitter any more than you would market to teenagers in the National Business Review.
5. Measure everything. Social media is no different than other marketing channels and campaigns should be organised around specific metrics.

NARGON would add at least 7 more:

1. Social media is very time sensitive. If you are going to respond then you have to respond quickly.
2. Consider all of your on-line comments carefully. Apply the basic test: Would I be comfortable seeing that remark attributed to my store on the front page of tomorrow's newspaper?
3. Get people who understand and enjoy social media involved. They have a feel for how it all works and how to maximize impact.
4. Social media work is real work. It is not a hobby or a distraction.
5. Create social media specific promotions and rewards. People love getting a deal and feeling special.
6. Humour can be your greatest asset on-line. However, it has to be appropriate and fair. If in doubt, don't send it out.
7. Check the social media profile of the people you are interacting with. A retweet or Facebook comment from a person with a large following can have a huge impact. However, that can be positive or negative depending on their experience with your store.



TERMINATION ON MEDICAL GROUNDS

NARGON is aware that a number of stores are unsure about their legal position when a staff member is sick or ill for extended period of time.

Advice was sought from Ministry of Business, Innovation and Enterprise and Business NZ, the country's largest employers group. This clause can be inserted next to the normal termination clause in any contract:

Termination on Medical Grounds

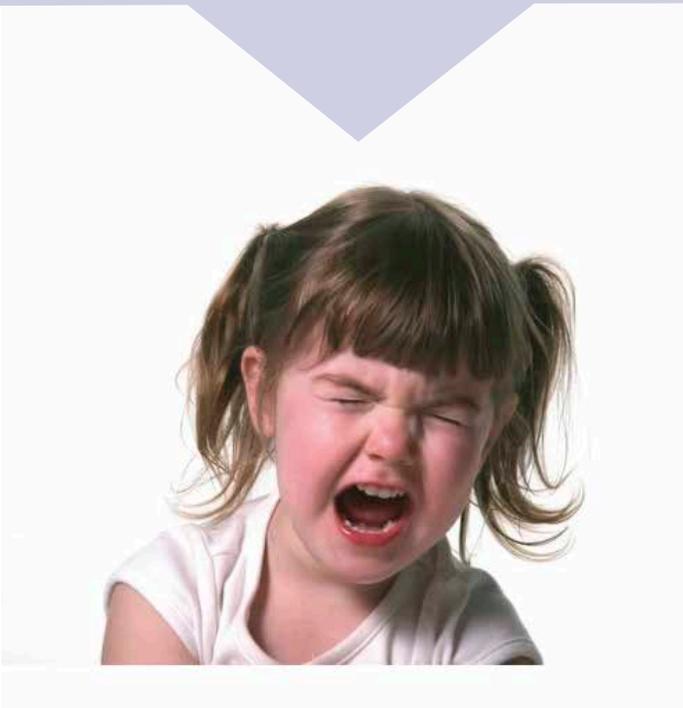
In the event the Employee has been absent from work for more than 30 working days because of illness or injury, the Employer shall be entitled to require the Employee to undergo a medical examination by a registered medical practitioner nominated by the Employer, at the Employer's cost. The Employer shall take into account any report provided as a result of that examination,

and any other medical or other evidence provided by the Employee within a reasonable time-frame. If, in the reasonable opinion of the Employer, the Employee is incapable of the proper performance of their duties by reason of illness or injury, the Employer may terminate the employee's employment by the provision of 2 weeks' notice or the period of notice specified in this agreement, whichever is the greater.

NARGON will include this clause in our draft employment contracts and will circulate a copy to members.

On a lighter note – If you are naughty, we will cart you off

The following exchange happened at a grocery store in South Dakota, USA – at least according to www.notalwaysright.com:



(A mother with two young children enters the store. Upset because she can't ride in the car-shaped cart, the little girl sits on the floor and throws a fit.)

Mother: "Come on, honey. We don't have all day."

Daughter: *continues to pout*

Mother: *exasperated* "Seriously, come on or I'll leave you here!"

Daughter: *continues to pout*

Me: *to the daughter* "You know what we do with kids who aren't with their parents? We put them to work... hard work! We will make you get carts. It is no fun..." *a coworker getting carts comes inside, so I turn to him* "Just ask him!"

Coworker: "My mom left me here five years ago!"

Daughter: *darts up and runs to her mother*

Mother: *to us* "Thank you!"

Food prices down again, card spending flat

Official figures from Statistics New Zealand show food prices fell 1.3 percent in the March 2013 month and were down 0.4 percent overall on a year earlier.

Four of the five food categories recorded decreases including fruit and vegetables (down 6.5 percent), meat, poultry, and fish (down 0.9 percent), grocery food (down 0.8 percent) and non-alcoholic beverages (down 0.8 percent). The only increase was

for restaurant meals and ready-to-eat food prices which lifted 0.2 percent.

For the year to March 2013, the food price index (FPI) decreased 0.4 percent overall. There were decreases in prices for meat, poultry, and fish (down 0.4 percent), grocery food (down 2.6 percent) and non-alcoholic beverage prices (down 0.5 percent). These were virtually offset by increases in prices for fruit and vegetables (up 3.8 percent), and restaurant meals and ready-to-eat food (up 1.1 percent).

After five months of increases, shopping using debit and credit cards in New Zealand decreased during March 2013. Figures from Statistics New Zealand show that, when adjusted for seasonal effects, the

value of electronic card spending in the retail industries decreased by 0.5 percent in March. Those seasonal effects included an early Good Friday and Easter Sunday which meant there were two fewer trading days than a typical March.

Supermarkets and grocery stores are included in the consumables category. While the dollar amount spent went up in March, the seasonally adjusted value of electronic card spending on consumables decreased slightly (down less than 0.1 percent).



POLITICAL PROFILE – HON SIMON BRIDGES (NATIONAL)

The Minister of Labour, Hon Simon Bridges (National – Tauranga), sets out his plans for “safer workplaces, flexible and fair employment law” to readers of the NARGON News:

“It’s just over two months since I was appointed Minister of Labour and I’ve been busily coming up to speed with the portfolio and putting my priorities in place. One thing I’ve quickly realised is how important the Labour portfolio is to the Government’s priorities of boosting jobs and making sure New Zealand is more competitive and productive.

Our Business Growth Agenda focuses on six key “ingredients” businesses need to grow: export markets, innovation, infrastructure, natural resources, capital markets and skilled and safe workplaces.

I’m particularly focussed on the latter because it covers a range of work to lift skills and make sure our workplaces are safer, but also that our employment law is fair and flexible.

We’ve set some challenging targets to make workplaces healthier and safer and therefore reduce the human and economic cost of workplace injury and health. It’s vital that when people go to work each day, they are safe, and protected from any risk of injury or death. This work is also important because safe workplaces help lift productivity and improve staff recruitment and retention.

The Government’s work in reforming New Zealand’s workplace health and safety system will really step up a notch this year. This reflects our strong commitment to addressing New Zealand’s

workplace fatality and serious injury rates, and reducing them by 25 per cent by 2020.

In response to the Pike River Coal Mine Tragedy, I’ve already announced we will establish a new, stand-alone agency, with a dedicated focus on workplace health and safety. And I expect there will be further reform in this area once the Independent Taskforce on Workplace Health and Safety reports back to me at the end of April.

Another priority is ensuring a fair and flexible labour market that will give businesses the ability to adapt to changing conditions and enable people to move into work, while guaranteeing a level playing field in the marketplace through statutory minimum pay and conditions of employment.

With that in mind, changes to employment law will be made this year through the Employment Relations Amendment Bill.

The changes we’re making will extend workers’ rights to request flexible working hours to all workers, and not just caregivers as under the current law. Other changes to collective bargaining will allow bargaining to end where agreement is unlikely, thus preventing bargaining becoming unnecessarily protracted and costly.

These changes will help ensure there is the flexibility that businesses need to deliver success, while maintaining fairness in the workplace.

Young people in New Zealand have been hit hard by the global recession and many are finding it difficult to get into work. Youth unemployment is a real issue that this Government is committed to addressing. The starting-out wage is an initiative I believe will make a real difference for our young



people.

It provides for eligible 16-to-19-year-olds to be paid no less than 80 per cent of the minimum wage, and it will be an option for employers and employees from 1 May.

Three groups of young people will be eligible:

- 16- and 17-year-olds in their first six months of work with a new employer.
- 18- and 19-year-olds entering the workforce after more than six months on a benefit, and who have not yet completed six months of continuous work with any employer.
- 16- to 19-year-old workers training in a recognised industry course involving at least 40 credits a year.

We believe it will give employers a real incentive to take on our youngest and most inexperienced workers and provide them with a foothold in the workforce.”

For more information about the Starting out Wage:

www.dol.govt.nz/er/pay/starting-out-wage/index.asp

MINIMUM WAGE RECOMMENDATIONS REVEALED

The new minimum wage of \$13.75 came into effect on 1 April 2013. Documents obtained under the Official Information Act show that the Ministry of Business, Innovation and Employment argued the minimum wage could be increased to between \$13.80 and \$13.90 before it would noticeably constrain employment growth. The advice also showed that minimum wage workers

are more likely to be female, Maori or Pacific Islander, without formal qualifications, and part-time employees or working in the retail and hospitality industries.

NARGON has compiled a table showing the minimum wage levels suggested by a range of organisations:

- **Treasury** – \$13.50
- **Cabinet decision** (Government policy) – \$13.75
- **Ministry of Business, Innovation and Employment** – \$13.80
- **Ministry of Social Development** – \$13.80

- **Ministry of Women’s Affairs** – \$13.80
- **Labour Party** - \$15.00
- **Green Party** - \$15.00
- **Ministry of Pacific Island Affairs** – \$15.00
- **Te Puni Kokiri** (Ministry of Maori Development) – \$16.00
- **Living Wage Campaign** - \$18.40

NARGON has previously recommended that the minimum wage should not increase every year. However, if there is to be an increase, then we believe it should be modest and certainly not more than the rate of inflation.

PRACTICAL GUIDE TO THE BEST USE OF SECURITY CAMERAS

It is a sad fact of life that shop lifting costs stores millions of dollars every year. One of the key defences against theft and a critical aid in prosecuting thieves is a security camera system. However, it is important that the security camera system is well thought out and correctly set up.

The British Home Office has produced a simple but very useful guide to help smaller stores optimise their security camera systems. NARGON endorses this guide and recommends all members check their current camera systems against the best practice set out in the guide. Here are the key points:

- At least one camera must provide identifiable quality images of everyone entering the store. In most shops the best place to capture these images is at the main doorway.
- It is strongly recommended that a second camera with similar capabilities is placed near the till area.
- In addition to these identifying cameras,

owners should then determine the high risk areas of their store and cover them with additional cameras.

- The video signal from the identifying cameras should be recorded at a minimum of six frames per second. All other cameras should record at six frames per second for higher risk locations or a minimum of two frames per second at lower risk locations. The video should be recorded at its original size with a minimal amount of compression.
- Information should be kept secure and retained for no longer than is necessary for the purpose of the system. Generally, a minimum of 14 days is recommended for small camera systems.
- For police investigations, it is critical that the camera system time clock is set correctly and kept accurate.
- A quality camera system will allow pictures to be quickly reviewed and exported as evidence if needed. A staff member who is able to replay recordings



and produce copies for the police should be available at all times

- Cameras are important and stores should ensure they get the most out of them.
- The guide is available on-line: www.gov.uk/government/uploads/system/uploads/attachment_data/file/142684/cctv-small-business-guidance.pdf



All NARGON members should know the answer to these three questions:

1. What should the minimum wage be according to Labour and the Greens?
2. How many New Zealanders visit social media sites each month?
3. For security cameras in high risk areas, what is the recommended minimum frame rate in order to produce identifiable quality images?

Answers

1. \$15.00 an hour.
2. Around 3 million.
3. At least six frames a second.

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