



SPECIAL POINTS OF INTEREST:

Premier Bacon Grocers Breakfast (pg 3)



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RUGBY WORLD CUP 2011 – CHALLENGES AND OPPORTUNITIES

This year, the Rugby World Cup will be the largest single sporting event in the world and it will be hosted right here. The economic benefits are expected to be substantial with over 60,000 people visiting New Zealand and 4 billion more watching on television. For stores, this event presents both opportunities and challenges.

In terms of opportunities, all stores near World Cup venues should be aware of the tournament schedule so they can plan for any possible influxes of customers. Some teams will have more supporters than others and some will stay longer than others. There is a chance for some extra business.

In terms of challenges, all stores urgently need to ensure their EFT-POS terminals are up-to-date and meet the new standards. If the necessary upgrades or replacements do not take place in time, stores risk being unable to process international cards and could even be kicked off the network.

Perhaps the biggest challenge for stores will come from a little-known piece of legislation called the Major Events Management Act 2007 (MEMA).

Fundamentally, the legislation means that just because the Rugby World Cup is happening, it does not mean that stores can mention the Rugby World Cup. In fact, it probably means they can't.

Stores cannot "associate" themselves with the World Cup which will have dramatic implications for promotions, specials and window dressing. Common behaviour in the past may not be allowed under the new laws. For example, a sign in the store window wishing the All Blacks good luck in the Rugby World Cup is not allowed. Recent major sporting events such as the Football World Cup indicate tournament organisers are becoming increasingly active in enforcing these sorts of rules and stores should be exceptionally careful. There is an illustrated guide to the legislation.

www.rugbyworldcup.com/mm/Document/Tournament/Destination/02/03/72/63/2037263_PDF.pdf

Stores should be prepared for the World Cup, be very careful in their promotions and, ultimately, enjoy the rugby.

HEARTLAND RUGBY AND THE RURAL GROCERY STORE



Club rugby is currently in full swing around New Zealand and clubs are gearing up for the Rugby World Cup ahead. For many country stores (and I suspect some city/town stores too), this means supplying the local rugby club with their provisions and in some cases too, being actively involved in the administration of the sports club.

Our Four Square store is located in Mangawhai Heads and the local rugby team is the Tomarata RFC Inc. (a country rugby club playing in the Northland second division competition). During rugby season, we get a midweek call from the rugby club,

outlining all their bar and kitchen requirements for the weekend's games ahead. Tomarata RFC has a senior team and four junior sides, so this can mean on occasions catering for more than two hundred hungry players and their supporters in the space of five to six hours. With only a weekly Foodstuffs delivery, knowing when the home games are on is crucial, so that adequate liquor and grocery lines can be supplied to meet matchday requirements.

Tomarata's annual 'marrieds v singles' fixture is usually the clubs largest catered event of the year. With former Tomarata.. *(continued on page 2)*





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player of the year (and now All Black) Rene Ranger in the singles team, the marrieds usually find themselves beaten.

A feature of Tomarata RFC's home games is the traditional large scale hangi, which means sourcing in additional amounts of fresh ingredients. Our involvement doesn't end with the liquor and grocery supply. We usually provide the technical facilities for the rugby club's eftpos and cash register systems and act as a transit drop-off point for some deliveries. We also supply strapping for the players, sausages for fundraising sizzles, and the club's cleaning requisites among other things. As most clubs now have liquor licences, it usually falls on club members familiar with the liquor laws to maintain licencing requirements.

Given that most grocery operators follow some form of sport or activity, it doesn't usually take too long before they are given a shoulder tap to come and join the club committee, be it sports or otherwise. Or as was in my case, as well as being involved at management level, pulling on your rugby boots, to help your team out.

With the Rugby World Cup being staged here in New Zealand looming large on the horizon, there has never been a better time to re-connect with grassroots rugby.

Robert Scott
Molesworth Four Square



SALE VOLUMES, SALE VALUE AND FOOD PRICES ALL UP

Figures from Statistics New Zealand show that food prices were flat (up just 0.1 percent) in February 2011, but up more than 5 percent on a year earlier. Grocery food prices rose 0.6 percent in February, but this was offset by a 1.7 percent fall in fruit and vegetable prices, largely due to seasonal factors.

In the year to February 2011, food prices increased 5.3 percent. This included a 2.2 percent increase in October because of the

GST increase. Prices for all food subgroups increased over the year.

Statistics New Zealand has reported that total electronic card transactions were up slightly (0.4 percent) in February 2011. Transactions in the retail industries were largely flat (down 0.2 percent) although the consumables industry – which covers most supermarket and grocery store activities – a recorded a small seasonally adjusted rise.

EMPLOYMENT RELATIONS ACT 2000:

All employers will be able to offer a 90-day-trial period to new staff.

- There is a change to the test of justification used by the Employment Relations Authority or the court to determine if a dismissal or employer's action was unjustified.
- An employer's consent must now be obtained before a union can access a workplace.
- There has been clarification that employers can communicate with employees during collective bargaining as long as such communication is in good faith.
- From 1st July 2011, employers will be required to retain signed copies of individual employment agreements.

public holiday and observe it on another working day.

- A new averaging formula can be used if it is not possible or practicable to work out relevant daily pay or if an employee's daily pay varies in the relevant pay period.
- Employers will be able to require an employee to provide proof of sickness or injury within the first three consecutive calendar days of taking sick leave. Employers must inform the employee as early as possible that proof is required and agree to meet the reasonable expenses of obtaining the proof.
- Changes to the rules regarding alternative holidays.

HOLIDAYS ACT 2003:

- Employees will be able to request that their employer cashes up a maximum of one week of their four week's annual leave.
- Employees will be able to request to transfer a

NARGON is supportive of the law changes and believes they will reduce or eliminate many of the frustrations the industry has had with employment law issues over recent years.

To find out more about the changes visit <http://ers.govt.nz/updates/>

ON A LIGHTER NOTE

This conversation happened in a London supermarket – according to www.notalwaysright.com:

(I work on the pizza counter at a large supermarket chain. We make individual pizzas for the customer.)

Customer: I'd like some jelly babies.

Me: Sorry, we don't put jelly babies on pizzas. What else can I get you?

Customer: *pause* Jelly babies, please.



Me: Sir, we do not serve jelly babies here.

(This continues for quite awhile.)

Customer: I'd like some jelly babies.

Me: We do not sell jelly babies!

(The customer then angrily points to an ingredient on the counter.)

Me: Sir, those are jalapenos.





POLITICAL COMMENT – HON KATE WILKINSON (NATIONAL PARTY)



In this issue, the Minister of Labour, Hon Kate Wilkinson, sets out her argument that the suite of 1 April changes to employment law are good news for the economy:

"Finding a job isn't always easy and neither is hiring new staff. I know many employers search long and hard for good staff but often throw the towel in rather than take a risk on someone with no experience.

The introduction of the 90-day-trial period changed that and now the Government has extended this provision to all employers. We want to see New Zealanders in work. We want them to be successful and we back them to make the right decisions for their families.

We want to make sure that employers have the confidence to take on new staff and to expand job opportunities for people who struggle to get work.

A Department of Labour report found that

the vast majority of people employed on a trial period since its introduction last year have remained in work. It went on to say that most employers viewed dismissals as a bad outcome and actively tried to avoid them.

This was always going to be the case. We have heard all the ideological arguments, but they fall over in the real world. Employers don't want to be constantly hiring and training staff. They want to keep them on and make the relationship work.

This policy is all about giving businesses the confidence to take on staff and will be particularly beneficial for the supermarket and retail grocery sector.

A lot of young people look for work in this industry, often for their first job, and the 90-day-trial period will open more doors for them to prove themselves.

The extension of the trial period is among a number of employment law reforms the Government has passed that have become law in April.

We have simplified the personal grievance process to sort out employment problems

faster, reduce costs, and improve confidence in the system.

We also improved the Holidays Act to provide more certainty and reduce compliance costs. This includes giving employees the option of trading one of their four weeks' annual leave for cash.

Cashing in the fourth week of leave can't be raised in salary negotiations and can only be at the employee's request. This change brings greater choice for employees. The chance to cash up a week of annual leave at the employee's request has a great deal of public support and we know many people are looking forward to taking up the opportunity.

We are committed to maintaining a fair and equitable system that protects the rights of New Zealand workers. We put a lot of work into ensuring our reforms improve employment law, and the public was widely consulted.

National's employment law package is pragmatic, credible, and effective. It's one more step on the road to growing the economy, helping people find work, and encouraging employers to hire new staff."

AUSTRALIA LOOKS TO PASS THE "TOUGHEST ANTI-SMOKING LAWS IN THE WORLD"

The Australian government is introducing a package of laws which they claim would create the toughest anti-smoking legislation in the world. At the centre of the package is a proposed law which would require all cigarette packets to be a deliberately ugly olive green colour and be plastered with graphic health warnings and pictures. The product's name would only appear on the front of the pack in a standard font.

Like New Zealand, tobacco advertising is already banned in Australia. They also have similar smoke-free laws. However, the display of tobacco

products is already banned there and, if the legislation is passed, Australia would be the first country in the world to enforce plain packaging.

The legislation will be introduced during the middle of this year and, if passed, could come into force early in 2012. The large tobacco companies are already threatening legal action to protect what they refer to as their trademarks and intellectual property. In New Zealand, Associate Health Minister Tariana Turia said New Zealand is "likely" to follow Australia's example.

RETAIL QUIZ

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

1. What is the maximum number of employees a business can have and still use the 90-day employment trial period?
2. Can stores put a sign in their window wishing the All Blacks good luck for the Rugby World Cup?
3. True or False – Salt has been banned from fish and chip shops in Britain?

PREMIER BACON GROCERS BREAKFAST

Premier Bacon and NARGON would like to invite you to join us for breakfast at the 2011 Foodstuffs Fresh Food Expo in Palmerston North.

Where: Arena Manawatu

When: Thursday August 11th

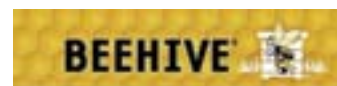
Time: 8:00am to 9:30am

This is a great way to start the

second and final day of the Expo and best of all its FREE!

To register email the following details to director@nargon.co.nz:

- Business/Store Name
- First and Last Name





UK: SALT NOT ACTUALLY "BANNED" IN FISH AND CHIP SHOPS

Readers of the *Daily Mail* and the *Daily Express* were confronted with headlines stating "salt banned in chip shops" and reports that "fish and chip shops, cafes, restaurants, takeaways and curry houses will take salt containers off their counters and table tops." The result, said the *Daily Express*, is that "daft health police ruin the nation's favourite treat."

"health police" or "council officials" as it is a completely voluntary scheme. In fact, *The Guardian* reports that five shops have signed up. "Five shops volunteer to only give customers extra salt if they ask" probably wasn't such a good headline...



Rival newspapers immediately hit back at the reporting arguing it was inaccurate and sensationalist. *The Guardian* did a particularly effective job by pointing out this was not a national law but simply an initiative by a local council in Stockport. There was also no ban because the scheme simply requires a store to put salt shakers behind the counter so that customers have to ask for extra salt. Furthermore, there are no



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EMPLOYMENT AGREEMENTS

NARGON reminds all members that full written employment agreements are required for every single employee. This is a strict legal requirement. The member's section of the upgraded NARGON website contains draft agreements and advice on employment agreements – www.nargon.co.nz.

RETAIL QUIZ ANSWERS

1. Any number as there is no longer any size limit. The trial periods can be used by all employers for new employees..
2. No. This is not allowed under the Major Events Management Act as it associates the store with the Rugby World Cup.
3. False. Five shops have volunteered to put salt shakers behind the counter and to only give more salt if specifically asked by customers.



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