



NARGON NEWS

NEWSLETTER OF THE GROCERY RETAILERS' ASSOCIATION

SPECIAL POINTS OF INTEREST:

NARGON Supplier Awards 2010

- Registration form
- Voting form

Inserts



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2010 SUPPLIER AWARDS

THURSDAY 14 OCTOBER 2010



YOUR GOODY BAG CONTAINS...



BEIERSDORF
Nivea for Men
Silver Protect Polar BlueAero



CADBURY CONFECTIONARY LTD
Cadbury Dairy Milk
"Bar of Plenty" 190g Block



BLUEBIRD FOODS LTD
Doritos



COOKIE TIME LTD
One Square Meal



COCO COLA AMATIL (NZ) LTD
Mother 300ml Can



PROLIFE FOODS
Mother Earth Nuts



FRUCOR BEVERAGES LTD
Just Juice with Veges & V Shots



HANSELLS FOOD GROUP
King Soup Singles



KOKAKO ORGANIC COFFEE
Hot Chocolate 250g



M'CASHIN'S BREWERY
Stoke Beer, Rochdale Cider or Frute



PITANGO INNOVATIVE CUISINE LTD
Pitango Risotto



CEREBOS GREGGS LTD
Robert Harris Phoutukawa Blend
Plunger/filter Grind Coffee 200g



SANITARIUM HEALTH FOOD CO LTD
Up and Go 3 pack



SNOWDON LTD
MicroCakes
(microwave cake mix set)



TEHORO FOODS LTD
TeHoro Jam



THREE FOUNTAINS
Toasted Museli Sachets



Molesworth



SALES UP AGAIN BUT FOOD PRICES STILL FALLING OVERALL

Figures from Statistics New Zealand show the seasonally adjusted volume of total retail sales rose 1.3 percent in the June 2010 quarter. This was the fifth consecutive quarterly increase in sales volumes and the largest recorded

since the March 2007 quarter. Supermarket and grocery stores were up 0.9 percent (\$36 million).

Food prices also rose 1.6 percent in the July 2010 month driven largely by higher dairy prices and a

winter increase in vegetable prices. However, the price of food actually fell 1.0 percent for the year to July 2010. This is the third consecutive annual fall in food prices, something which has not occurred in the past ten years.

FREE BUSINESS WEBSITE IMPROVED

The Government has recently re-launched its www.business.govt.nz website. The upgraded and updated site is designed to be a free, one-stop shop for new and existing businesses. It brings together free resources, tools and information to help people start, manage and grow their business. There is a helpful section regarding dealing with Government rules and regulations.

IF YOU CANNOT ACCEPT YOUR CUSTOMER'S MONEY, SOMEONE ELSE WILL

NARGON reminds all stores to ensure their EFTPOS technology is up-to-speed and can process transactions for the new generation chip credit cards. These are already in use by a number of banks and

will become increasingly common in the build-up to the Rugby World Cup. The easiest way to check whether your EFTPOS technology is ready is to visit www.oneyouready.co.nz and follow the simple online instructions. If your

terminal is not up-to-date, contact your EFTPOS terminal provider as soon as possible and schedule a date for your upgrade. This is critical for your store because if you cannot take your customer's money, someone else certainly will.

MAJOR CHANGES COMING FOR LIQUOR LAWS

The National-led Government has announced a major set of reforms relating to the sale of alcohol in New Zealand. The main changes proposed are:

- Giving local communities the power to decide how many alcohol outlets there are in their community, where they are and what time they are open.
- Setting maximum hours of 7am–11pm for off-licences and 8am–4pm for on-licences. This will impact on 24-hour stores requiring them to shut the liquor section for eight hours a day.
- Introducing a graduated alcohol purchasing age of 18 for on-licences and 20 for off-licences. This will however be the subject of a 'conscience vote' in Parliament.
- Giving parents more tools to manage their children's access to alcohol and requiring more parental and individual responsibility for supply to minors.
- Allowing the Justice Minister in consultation with the Health Minister to ban alcohol products which are particularly dangerous or appealing to minors.
- Strengthening the law on the types of stores eligible for an off-licence to ensure dairies and convenience stores are not eligible. NARGON is deeply opposed to this approach.
- Investigating a minimum pricing regime by asking industry to voluntarily provide sales and price data within a year.
- Increasing penalties for a range of licence breaches, including selling to a minor and serving an intoxicated person. It will also be an offence to present fake ID.
- Improving public education and treatment services for people with dependency issues.

In the circumstances, the package is relatively balanced. However NARGON continues to have concerns about the changes to licences for smaller stores and the complexity of a split purchase age. We would prefer it remained at 18 across the board.



POLITICAL COMMENTARY: HON KATE WILKINSON (NATIONAL)

In this issue, National Party MP and Minister of Labour Kate Wilkinson explains the Government's proposed changes to the employment laws saying "reforms pave the way for more opportunities":

"The 90-day trial period is about creating job opportunities. When the Government first passed this legislation back in December 2008, we were adamant it would prove the difference between getting a job and being out of work for a number of people. In the 18 months that this law has been in place for small businesses, we have seen just that.

We were reminded recently of just how volatile the labour market is with news unemployment was sitting at 6.8 percent this month. There are a lot of families still struggling to make ends meet and the Government is working hard to lift the long-term performance of the economy and create more jobs for New Zealanders. Ultimately, for those people that are looking for work, all they want is a chance to prove themselves. They want an opportunity and when they get one, they grab it with both hands.

Improving our employment law framework is one of the steps we are taking to give businesses more confidence to grow and take on more staff. By far the vast majority of employees in this country work hard to support their

families. The changes we are introducing will benefit them greatly, bringing greater personal choice and flexibility. For those out of work, we are focused on creating more opportunities and with regard to the 90-day trial period, the numbers speak for themselves.

In the first year of operation, at least three-quarters of those who were taken under a trial period maintained employment. That is a particularly good figure when you consider that we were working through the worst recession in the best part of a century at this time. It certainly proves just how absurd the rhetoric from Labour and their union supporters was that employees would be hired and fired in their thousands – as if employers would treat it as a sport. Instead, what we know is that employers work hard to train their staff and don't want to have to dismiss them. In fact, 40 percent of employers said they would not have hired their new staff member without the trial period.

At the end of the day, this policy is about getting people on the margins of the workforce – particularly the young and inexperienced – a foot on the employment ladder. This Government backs them to prove they have what it takes and I'm proud of that. By extending the trial period to all businesses, we are giving many more businesses

increased confidence to hire new employees, and giving many more people a chance at finding a new job.

Extending the 90-day trial period is just one part of a package of amendments to New Zealand's labour laws. We are fixing the personal grievance system to resolve employment problems faster, discourage poor practices, reduce costs and improve confidence in the system.

There will also be changes to the Holidays Act. This includes employees being able to trade up to one week's annual leave for cash. Further changes include changing the calculation of relevant daily pay to a new formula known as average daily pay, for sick leave, public holidays and bereavement leave. The Employment Relations Amendment Bill (2) and Holidays Amendment Bill have both recently passed their first readings in Parliament. These are publicly available and submissions will be called for select committee shortly. If you want to comment on these changes then I would encourage you to submit.

The Government has worked hard to produce a package of employment law changes that are pragmatic, fair and ultimately help open up job opportunities for New Zealanders. I'm confident this law reform will do just that."



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PROFILE

This issue profiles Peter Mitchell, publisher of Supermarket News:

How long have you been reporting on the supermarket and grocery industry?

I bought Grocers Review off NARGON in 1971.

What else do you write about?

Mainly the restaurant and food industry.

Which product surprised you most with its success?

Wine and beer – it's such a massive part of our industry now.

What part of the industry do you enjoy the most?

I really like the product innovation side. New Zealand can create world leading products.

What's your least favourite aspect?

The radical attitudes of some people towards the grocery industry.

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

I am an ex-Naval Officer who went to the Christmas Island nuclear tests.

What is your favourite drink?

I'm a whisky drinker.

What three things would you take to a desert island?

Golf club and two golf balls.

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

It would have to be the deli.



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UK: PUBLIC SPLIT ON PLASTIC BAG TAX

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