



'Happy New Year'

Special points of interest:

- Visit the Nargon website at www.nargon.co.nz to view important information about laws
- **NARGON EXCLUSIVE: Ban on Tobacco Displays looking unlikely**

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A Holiday Poem to bring in the New Year

Stock is in the storeroom and stacked upon the shelves, there's not a space to breathe in here, where are Santa's elves?

Produce with abundance and specials everywhere, it must be Christmas time again, man what a quick year.

Now the customers are coming festive needs as their song, and as a grocer the docket, like the hours, they are long. give them cherries, cream and crackers and some cold beer, and even if they bite the hand that feeds them remember your festive cheer.

And when you think of your customers sitting in their

chairs, enjoying presents, ham and bubbly with family and their peers.

Remember, unlike you, they share their time away, having travelled from here to there most of the long hot day.

So if they are a little grumpy when they get to you, extend your welcome and do the best that you can do.

They'll be back to their old selves after their holiday, and once all their dear dear family have gone back far away.

And bare in mind when all is done and though your feet are sore, the backbone of the

love you keep is in your grocery store.

And though you may well feel tired and a little bleary, the best time for grocers to holiday is well into February

kind regards and compliments of the season to you and your families.

Victoria Boyes



Reducing Retail Theft in the Holidays

While the holiday period is traditionally one of the busiest times for stores, it is also a high-risk season for retail theft and shoplifting. A number of local retailers are rightly concerned that the current economic crisis and credit crunch will lead to more theft in their shops.

Retail theft affects stores of all sizes. There are a number of measures stores can take to create a less attractive environment for shoplifters and protect their store against theft. The about.com website lists a number of simple strategies including:

Checkout: Design the store lay out so customers must pass the register area and staff to exit the store. Never

leave the register unlocked or unattended. Do not display merchandise near the store exits.

Tidy Up: Keep the store neat and orderly. Full displays and straightened shelves allow employees to see at a glance if something is missing.

View All: Use mirrors to eliminate blind spots in corners that might hide shoplifters. Maintain adequate lighting in all areas of the store. Keep fixtures and displays low for better visibility.

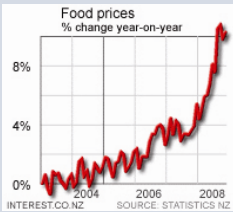
Under Lock and Key: Place small, expensive items in locked cabinets or behind the counter. Use alarms on

unlocked exits and close or block off unused checkout aisles.

Signage: Signs and posters reinforcing security messages should be used. Post anti-shoplifting signs like 'Shoplifters Will Be Prosecuted' in clearly visible locations.

Security: Use security equipment such as closed circuit television, security tags and two-way mirrors.

The New Zealand Police have also produced a range of resources to help stores prevent business crime. These can be viewed on-line at <http://www.police.govt.nz/safety/business-crime-prevention.html>.



“Finally, Statistics New Zealand figures also show that household budgets have faced the worst inflation since 1990 “

Statistics paint a gloomy picture for the sector

Seasonally adjusted total retail sales fell 1.3 percent (\$69 million) in October 2008 according to the latest figures from Statistics New Zealand. This drop was dominated by the vehicle-related industries, particularly a 14.5 percent (\$90 million) fall in motor vehicle retailing. However, the supermarket and grocery sector also contributed to the fall with a 1.2 percent (\$14 million) decline in sales. 13 of the 20 core industries had increased sales compared with September 2008.

Food prices increased 0.8 percent in the November 2008 month according to Statistics New Zealand. The most significant contribution to this increase came from the grocery food subgroup (up 1.0 percent) which was driven by higher prices for yoghurt (up 6.8 percent) and bread (up 1.7 percent). For the year to November 2008, food prices rose by 10.3 percent. All five subgroups recorded upward contributions to the annual increase with grocery food up 11.5 percent. The biggest

contributors to the annual rise included cheddar cheese (up 35.2 percent) and potatoes (up 43.6 percent).

Finally, Statistics New Zealand figures also show that household budgets have faced the worst inflation since 1990 with overall prices up 5.1 percent in the year to September. However, a number of economists say the worst is over with inflation expected to fall rapidly to under 3 per cent next year.

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Police send “warning” to shop owners over the use of force

NARGON members should be aware that Police are publicly saying that the arrest of Otara liquor store owner Virender Singh is a reminder to others that using too much force to defend themselves or their property will result in prosecution. Mr Singh has been charged with two counts of injuring with intent to injure after a fight with several youths.

Mr Singh said he would fight the charges as he was only defending himself after an intoxicated youth whom he

believed was shoplifting entered his store. Many members of the public are sympathetic towards Mr Singh and there have been a number of offers to help fund his legal case.

The Police were quoted in the media as saying “the arrest serves as a reminder to all that taking the law into their own hand in some circumstances cannot be justified.”

While the law states that shop owners can use reasonable force to defend themselves, any

other person and their property, the Police said those who chose to take the law into their own hands could face consequences.

“Those that clearly exceed that force can expect to be arrested and held to account in the criminal court. Shopkeepers and the general public can be reassured that the police will respond with urgency to situations where assistance is needed. Ring 111, observe what is happening and let police deal with these situations,” advised the Police.

Ban on tobacco displays looks unlikely

New Zealand is looking increasingly unlikely to introduce a complete ban on tobacco displays in stores. While the Health select committee and Ministry of Health had favoured a ban, new Health Minister Tony Ryall has indicated that the issue is not a priority for the new Government and that more information on the impact of any ban will be sought.

This was the position taken by National MPs on the

select committee who voted against the report earlier this year and submitted a minority view. This stated:

“National notes that the evidence presented from Iceland is unable to link the banning of displays with decreasing smoking rates. In addition National notes that recent bans of retail displays in Thailand and Canada have not yet shown positive results in smoking rates. In the opinion of the National members there is a need for

more international evidence, at this time, that banning tobacco displays would bring about a significant decrease in smoking, in order to present a compelling and convincing case to the public.”

NARGON has consistently supported more education on smoking and support for quitting rather than a ban on displays which would be expensive for stores to implement.



“National notes that the evidence presented from Iceland is unable to link the banning of displays with decreas-

Political Comment: The New Government's priorities

The new National-led Government has released a 27-point action plan outlining the key policies it intends to introduce. Parliament was sitting under urgency for two weeks before Christmas to pass some of the most important legislation. The key policies of interest to NARGON members included:

- Personal taxes will be further reduced from 1 April 2010 and from 1 April

2011. The effect of these tax cuts can be seen here:

<http://www.national.org.nz/taxcalculator/>

- 90-day trial employment period for new employees in businesses with less than 20 staff from 1 April 2009
- Reducing the minimum employee contributions to Kiwisaver to 2% of an

employee's gross salary

- Halt the growth in government bureaucracy and ensure that resources are focused on the provision of frontline services
- Focus on reducing the regulatory and compliance demands that get in the way of productivity growth
- Undertake a regulatory review programme.



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90 day trial employment period

The new National-led Government has introduced the Employment Relations Amendment Bill to Parliament. It is being considered under urgency and was expected to pass through all stages by Christmas. It will allow small and medium sized businesses to agree to a 90 day trial period of employment for new employees. Assuming there are no amendments, the main features of the new law will be:

Trial periods must be agreed to by employers and employees in good faith as part of a written employment agreement signed by both

parties

The trial period can last up to 90 calendar days

It will only apply in businesses that have fewer than 20 staff

During the trial period, either party may terminate the employment relationship without a personal grievance claim being brought

The employer must comply with any agreed notice period, or give reasonable period of notice of termination of employment

The employee will no longer be able to raise a personal grievance on the grounds of unjustified dismissal

Importantly, the new law will uphold the employee's right to raise a personal grievance under the discrimination provisions of the ERA and the right to raise a personal grievance under the Human Rights Act

Mediation services will be available to both parties

This will apply to all new employees from the 1st March 2009. It will not affect existing employees.

The Government says New Zealand and Denmark are the only two countries in the OECD not to have a 90-day trial period.

“During the trial period, either party may terminate the employment relationship without a personal grievance claim being brought”

On a lighter note?

Sainsbury's stores in Northern Ireland have found a unique way to prevent their food waste going to a landfill. This year, more than 1,200 tonnes of food waste will be diverted from the landfill, shipped across the border to the Irish Republic and turned

into pet food, animal feed and other materials. The company aims to have no food waste going to landfill by the middle of next year and no waste at all heading to landfills by the end of 2009.




Visit the NARGON Website for the latest news and information
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Store Spotlight - New World Otaki

1, How long has the store been open ?

13 years in April 09. The previous New World was very small and situated in the Otaki "township" our store was relocated to SH1 after the old store outlived its usefulness

2, How long have you been in the business, industry ?

Jackie and I have been involved with Foodstuffs for 10 years. First 6 years as owners of a Four Square in New Plymouth (we actually moved 300 km south from Tuakau, Pukekohe area, to purchase our Four Square), then 18 months as owners of Inglewood Shoprite. We will have owned Otaki New World 3 years in February 09, it's our first New World.

3, How many staff do you employ. (split between full time and part time) ?

Currently about 90. Made up roughly 50/50 full and part-time

4, What is your favourite aspect of the food retail business?

I guess the P.C. answer is the customers and the daily contact and interaction (although they can be difficult and demanding, suppose that's what we are here for.....to serve, not servants). However, I must say that the longer I am involved in the industry and Foodstuffs, it has to be the

fantastic people involved in the industry. The other supermarket owner/operators, average people like me, directly involved in their businesses on a day to day basis and active in their communities. Most have come from small beginnings (Four Square just like me), have the same challenges, aspirations and by and large don't have any airs and graces about them and are prepared to work hard to succeed.

5, What is your least favourite aspect?

Compliance and all the bureaucracy that goes with it.

6, What is your favourite department within the store?

I have a soft spot for bakery (although Liquor is a frequently visited department, in fact I enjoy all fresh foods and the challenge and scope and flexibility they provide). Back to bakery, I have a background in cooking (and the food industry in general all my working career) and have managed a couple of commercial bakeries and as well as managing and owning food retail outlets

7, What future challenges do you see the grocery industry facing both globally and internationally?

The ever changing beast that is bureaucracy. The costs involved in keeping up with what is perceived as progress????? Also, the increasing expectations of the consumer (not necessarily a

bad thing), however the physical restraints on premises not able to keep pace with continual increase in range and "me too" products that the average customer expects and indeed demands that we carry.

8, Best piece of advice anyone has ever given you ?

Always give 100% in whatever you do.

9, What is your favourite food?

I like just about everything!!!!!!!!!!!!!!
If pushed, Indian. I love curries.

10, Favourite spot to visit in NZ?

New Plymouth. And as told previously above, I'm not a native. Jackie and I moved there (both born Aucklanders) to get established in the grocery industry. There is something about New Plymouth, has everything needed, close to all amenities, and genuine people .

